IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 1.2.2019

CORAM

THE HON'BLE DR.JUSTICE VINEET KOTHARI
AND
THE HON'BLE DR.JUSTICE ANITA SUMANTH

Tax Case Appeal No.1096 of 2009

Commissioner of Income Tax
Chennai. Appellant/Respondent

Vs.

Sri.V.Rajasekharan Respondent/ Appellant

Tax Case Appeal filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal, Madras 'B' Bench, Chennai, dated 25.7.2006 made in IT (SS)A No.43/Mds/2005, for Assessment year Block Assessment periond 1987-88 to 1997-98 up to 10.4.1997 against the order of the Commissioner of Income Tax(Appeals) X Chennai-34, dated 3.12.2004 made in ITA No.105/2003-04 for Assessment year Block Assessment for the period of 87-88 to 97-98 and up to 10.4.97 against the order of the Assistant Commissioner of Income Tax City Civil VII(Inv.) Chennai-34 dated 26.4.99 madein P.A.N./GIR No.727-R for the assessment year Block Assessment for the period 87-88 to 97-98 and upto 10.4.97.

For Appellant : Mr.T.R.Senthilkumar
Senior Standing Counsel

For respondent : Mr.G.Asokapathy for
M/s.Pass Associates

J U D G M E N T
(Delivered by DR.VINEET KOTHARI,J)

This Tax Case Appeal has been filed by the Revenue calling in question the correctness of the order passed by the Income Tax Appellate Tribunal, 'B' Bench, Chennai, dated 25.7.2006 made in IT(SS)A No.43/Mds/2005, by raising the following substantial question of law:

"Whether on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in deleting the additions of undisclosed income to the tune of Rs.14.9 lakhs made by the

Assessing Officer, even though the assessee could not prove beyond doubt, the genuineness and credit worthiness of the parties from whom the loans availed?"

2. When the matter is taken up for admission, the learned Standing Counsel brought to our notice the Circular instruction issued by the Central Board of Direct Taxes vide Circular No.3/2018 dated 11.7.2018 wherein it is stipulated that appeals shall not be filed/pursued by the Department before the High Court in cases where the tax effect does not exceed Rs.50 lakhs.

3. In the instant case, the tax effect is said to be less than the monetary limit imposed and therefore, the appeal filed by the Revenue is dismissed as not pressed, keeping open the substantial question of law for determination in an appropriate case.

Sd/-
Assistant Registrar(CS-VI)

//True copy//

Sub Assistant Registrar

ssk.

1. Commissioner of Income Tax
Chennai.

2. Income Tax Appellate Tribunal,
Madras 'B' Bench, Chennai

3. The Deputy Commissioner of
Income Tax,
City Circle VII(Inv.), Chennai.

4. The Commissioner of Income Tax (Appeals) X, Chennai.

5. The Assistant Commissioner of Income Tax,
City Civil VII (Inv.), Chennai-34.

+1cc to Mr.TR.Senthilkumar, Advocate SR.No.9547

TCA No.1096 of 2009

VBA(CO)
GMY(20/02/2019)