In the High Court of Judicature at Madras

Dated : 14.8.2019

Coram :

The Honourable Mr.Justice T.S.SIVAGNANAM

and

The Honourable Mrs.Justice V.BHAVANI SUBBAROYAN

Tax Case Appeal No.1898 of 2008

The Commissioner of Income Tax,
Central III, Madras ...Appellant

Vs

Sri.T.Rangroopchand Chordia ...Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 18.1.2008 made in IT(SS)A.No.61/Mds/2007 on the file of the Income Tax Appellate Tribunal, Madras 'C' Bench for the block period ending 07.6.2000.

For Appellant: Mr.T.R.Senthilkumar, SSC assisted by
Ms.K.G.Usharani, JSC
For Respondent: Mr.R.Sivaraman

Judgment was delivered by T.S.Sivagnanam,J

We have heard Mr.T.R.Senthilkumar, learned Senior Standing Counsel, assisted by Ms.K.G.Usharani, learned Junior Standing Counsel for the appellant – Revenue and Mr.R.Sivaraman, learned counsel appearing for the respondent – assessee.

2. This appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 is directed against the order dated 18.1.2008 made in IT(SS)A.No.61/Mds/2007 on the file of the Income Tax Appellate Tribunal, Madras 'C' Bench for the block period ending 07.6.2000.

3. The appeal was admitted on 02.12.2008 on 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 law in canceling the penalty levied under Section 158BFA(2) of the Income Tax Act, 1961?"*

4. The learned Senior Standing Counsel for the appellant submits that the above appeal is not pursued by the Revenue on account of the low tax effect in terms of Circular No.17/2019 dated 08.8.2019 issued by the Central Board of Direct Taxes. By the said Circular, the monetary limit for filing or pursuing an appeal before the High Court has been increased to Rs.1 Crore. It is further submitted that the tax effect in this case is less than the threshold limit.

5. In the light of the said submissions, the above tax case appeal is

dismissed on account of the low tax effect. The substantial question of law framed is left open. In the event the tax effect is above the threshold limit fixed in the said circular, liberty is granted to the Revenue to make a mention to this Court to restore the appeal to be heard and decided on merits. No costs.

14.8.2019

Internet: Yes

To
The Income Tax Appellate Tribunal, Madras 'C' Bench.

RS

T.S.SIVAGNANAM,J
AND
V.BHAVANI SUBBAROYAN,J

RS

TCA.No.1898 of 2008

14.8.2019