In the High Court of Judicature at Madras

Dated : 30.8.2019

Coram :

The Honourable Mr.Justice T.S.SIVAGNANAM

and

The Honourable Mrs.Justice V.BHAVANI SUBBAROYAN

Tax Case Appeal No.312 of 2009

The Commissioner of Income
Tax, Chennai ...Appellant/Appellant

Vs

Citi Financial Retail Services
(India) Ltd., Chennai-4. ...Respondent/Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 18.9.2008 made in ITA.No.420/Mds/2008 on the file of the Income Tax Appellate Tribunal, Chennai 'D' Bench for the assessment year 1996-97, against the order dated 24/4/06 made in ITA No:192/2006-07/A-III on the file of the Commissioner of Income Tax(Appeals)-III, Chennai for the Assessment Year 1996-97, against the order dated 20-3-2002 made in PAN/GIR NO:AAACN2879N on the file of the Deputy Commissioner of Income Tax Company Circle I(3) Chennai for the assessment year 1996-97.

For Appellant : Mr.T.Ravikumar, SSC and
Mrs.R.Hemalatha, SSC

For Respondent : Mr.V.S.Jayakumar

Judgment was delivered by T.S.Sivagnanam,J

We have heard Mr.T.Ravikumar and Mrs.R.Hemalatha, learned Senior Standing Counsel appearing for the appellant - Revenue and Mr.V.S. Jayakumar, 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 18.9.2008 made in ITA.No. 420/Mds/2008 on the file of the Income Tax Appellate Tribunal, Chennai 'D' Bench for the assessment year 1996-97.

3. The appeal was admitted on 28.4.2009 on the following substantial question of law :

> "Whether, in the facts and circumstances of the case, the Tribunal was right in deleting the penalty under Section 271(1)(c) when the assessee had furnished inaccurate particulars of its income by claiming 100% depreciation on wind energy generator, which is not allowable by law ?"

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.

Sd/-
Assistant Registrar(CS-III)

//True Copy//
Sub Assistant Registrar

RS

To

1.The Income Tax Appellate Tribunal,
Chennai 'D' Bench.

2.The Commissioner of Income Tax,
Chennai.

3.The Commissioner of Income Tax
Appeals-III, Chennai-34.

4.The Assistant Commissioner of Income Tax,
Company Circle I(3), Chennai.

5.The Deputy Commissioner of Income-tax,
Company Circle I(3), Chennai.

+1cc to Mr.V.S.Jayakumar, Advocate SR.75720
+1cc to Mr.T.Ravikumar, Advocate SR.75204

TCA.No.312 of 2009

VBA(CO)
CB(14/11/2019)