IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 14.3.2019

CORAM

THE HON'BLE DR.JUSTICE VINEET KOTHARI
AND
THE HON'BLE MR.JUSTICE C.V.KARTHIKEYAN

Tax Case Appeal No.731 of 2010

The Commissioner of Income Tax
Salem ... Appellant

Vs.

Shri.A.J.Rameshkumar ... Respondent

Tax Case Appeal filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal, Madras 'D' Bench, Chennai, dated 22.12.2006 made in ITA No.1255/Mds/2000 and against the order of the commissioner of income Tax, the office of the Commissioner of Income Tax (appeals) Chennai. 34 dated 01.08.2000 made in ITA.NO.922/1999 -2000 and against the order of the Deputy Commissioner of Income Tax special Investigation Circle ,salem dated 16.02.2000 made in CIR.NO.775/DCIT/SIC/SLM.

For Appellant : Mr.M.Swaminathan
For Respondent : Mr.Senthil Kuamar

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, 'D' Bench, Chennai, dated 22.12.2006 made in ITA No.1255/Mds/2000, by raising the following substantial question of law:

"Whether, on the facts and in the circumstances of the case, the Income Tax Tribunal is right in holding that penalty under Section 27(1)(c) is not leviable?"

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. The Commissioner of Income Tax
Salem

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

3. The Deputy Commissioner of
Income Tax,
Special Investigation Circle, Salem.

4.The Commisioner of Income Tax (Appeals)
Chennai. 34

+1cc to Mr.M.Swaminathan , Advocate SR.No. 23982
+1cc to Mr. G.Baskar, Advocate SR.No. 24350

TCA No.731 of 2010

A.SK(22/04/2019)