IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 20.8.2019

CORAM :

THE HONOURABLE MR.JUSTICE T.S.SIVAGNANAM
AND
THE HONOURABLE MRS.JUSTICE V.BHAVANI SUBBAROYAN

TAX CASE APPEAL NO.903 OF 2010

The Commissioner of Income Tax, Central-I, Chennai ...Appellant/ Respondent

Vs

Shri.Vinod Kumar M.Jain ...Respondent/ Appellant

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 26.3.2010 made in ITA.No.16/Mds/2010 on the file of the Income Tax Appellate Tribunal, Chennai 'B' Bench for the assessment year 2007-08.

against the order of the Commissioner of Income Tax(Appeals)-I, Chennai-34, made in ITA.No.362/08-09, dated 05.11.2009 against the order of the Deputy Commissioner of Income Tax Central Range IV(1) Chennai-34 made in PAN/GIR/AADPV2148M, dated 29.12.2008.

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

Respondent : served and no appearance

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 Standing Counsel appearing for the appellant - Revenue.

2. This appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 is directed against the order dated 26.3.2010 made in ITA.No. 16/Mds/2010 on the file of the Income Tax Appellate Tribunal, Chennai 'B' Bench for the assessment year 2007-08.

3. The appeal was admitted on 04.10.2010 on the following substantial questions of law :

> "i. Whether, on the facts and circumstances of the case, the Tribunal was right in deleting the addition on account of the value of excess stock by wrongly giving reduction of 15% for stone and beads and by not taking the prevailing market value as per the provisions of the Act ? and
>
> ii. Whether, on the facts and circumstances of the case, the Tribunal was right in deleting the addition on account of the value of gold plates seized from Shri Kumarapal Kanthilal Jain at the airport, which was owned by the assessee without considering the weight of evidence and the discrepancies in the statements of the concerned persons and relying on irrelevant material ?"

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 questions of law framed are 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.

Sd/-
Assistant Registrar(CS VI)

//True Copy//

Sub Assistant Registrar

RS

To

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

2. The Commissioner of Income Tax(Appeals)-I,
   Chennai-34.

3. The Deputy Commissioner of Income Tax,
   Central Range IV(1),
   Chennai-34.

+1cc to Mr.T.R.Senthilkumar, Advocate in sr.no.70997

TCA.No.903 of 2010

NMI(CO)
CS/10/10/2019