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.171 of 2011

Commissioner of Income Tax, Chennai ...Appellant

Vs

Smt.Mathanlal Nahar ...Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 04.6.2010 made in ITA.No.1586/Mds/2009 on the file of the Income Tax Appellate Tribunal, Chennai 'D', agianst the order dated 20/07/09 made in ITA.NO.201/06-07 on the file of the Commissioner of Income Tax(Appeals)VI, Chennai against the assessment order dated 26.12.2006 made in PA/GI.NO. AABPN9333Q on the file of the Deputy commissioner of Income Tax Circle-1, Chennai for the Assessment year 2004-2005.

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

Respondent : no appearance

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.

2. This appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 is directed against the order dated 04.6.2010 made in ITA.No. 1586/Mds/2009 on the file of the Income Tax Appellate Tribunal, Chennai 'D' Bench for the assessment year 2004-05.

3. The appeal was admitted on 06.6.2011 on the following substantial question of law :

> "Whether, on the facts and in the circumstances of the case, the Tribunal was right in holding that the action of the assessee in taking over the unrealizable bad debts from the family members/HUF and writing off the same and claiming it as deduction is valid in 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.

Sd/-
Assistant Registrar(CS III)

//True Copy//

Sub Assistant Registrar

To

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

2.The Commissioner of Income Tax (Appeals)VI, Chenani.

3.The Deputy Commissioner of Income Tax Circle-1, Chennai

4.The Commissioner of Income Tax, Chennai.

TCA.No.171 of 2011

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