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.188 of 2011

The Commissioner of Income Tax-I,
Chennai ...Appellant

Vs

M/s.Indwell Lianings Pvt. Ltd.,
Chennai-102. ...Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 26.11.2010 made in C.O.No.91/Mds/2007 in ITA.No.1631/Mds/ 2007 on the file of the Income Tax Appellate Tribunal, Chennai 'A' Bench for the assessment year 2002-03, against the order of the Income Tax Appellate Tribunal in MP.NO.77/mds/2010 in ITA.NO.1631/mds/2007 dated 18.06.10 against the order of the Income Tax Appellate Tribunal in ITA.NO.1631/mds/2007 and C.O.No.91/mds/2007 dated 13.06.08 against the order of the Commissioner of Income Tax(A) in ITA.NO.529/06-07/A-III dated 27.03.2007 against the order of the Assistant Commissioner of Income Tax, Company Circle II(3), Chennai dated 30.10.06.

For Appellant: Mr.Karthik Ranganathan, SSC
For Respondent: Mr.G.Baskar

Judgment was delivered by T.S.Sivagnanam,J

We have heard Mr.Karthik Ranganathan, learned Senior Standing Counsel appearing for the appellant - Revenue and Mr.G.Baskar, 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 26.11.2010 made in C.O. No.91/Mds/2007 in ITA.No.1631/Mds/2007 on the file of the Income Tax Appellate Tribunal, Chennai 'A'

Bench for the assessment year 2002-03.

3. The appeal was admitted on 28.6.2011 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 holding that the Assessing Officer had no valid reason to assume jurisdiction under Section 147 of the Income Tax Act, 1961 to reopen the assessment for the assessment year 2002-03 especially on the grounds that no fresh material or information came to his possession after the intimation under Section 143(1)(a) and on the date of the intimation, the law was in favour of the assessee?"

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(CCC)

//True Copy//

Sub Assistant Registrar

To
1. The Registrar,
Income Tax Appellate Tribunal, Chennai 'A' Bench.

2.The Commissioner of Income Tax(A)-III,
Chennai-34.

3.The Assistant Commissioner of Income Tax,
Company Circle II(3), Chennai-34.

+1cc to M/s.Sree Lakshmi Valli, Advocate sr.71036

TCA.No.188 of 2011

ppa(co)
nr 31/10/2019