IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 02.01.2019

CORAM:

THE HONOURABLE MR.JUSTICE T.S.SIVAGNANAM
AND
THE HONOURABLE MR.JUSTICE N.SATHISH KUMAR

Tax Case Appeal No.387 of 2011

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

-vs-

R.Chandrakala ... Respondent

Tax Case Appeal filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal Madras 'A' Bench, dated 30.11.2010 in MA No.111/Mds/2010 in ITA No.1101/Mds/09 for the assessment year 2006-07. against the Income Tax Appellant Tribunal 'A' Bench, Chennai and made in ITA.No.691/mds/09 dated 10.12.2009 in the Assessment Year 2006-07 and against the O/o.Commissioner of the Income Tax (Appeals-VI) Nungambakkam, Chennai-34, and made in ITA.No.88/08-09 dated 04.03.2009 for the Assessment Year, 2006-2007 and against the order of Income Tax Officer-1(1) Chennai-34, dated 18.12.2009 in PAN/GIR.No.AADPR5260Q

For Appellant : Mrs.V.Pushpa
Standing Counsel

For Respondent : Mr.A.S.Sriraman
for Mr.S.Sridhar

J U D G M E N T

Judgment of the Court was delivered by T.S.Sivagnanam, J.]

This appeal by the appellant/Revenue is directed against the order passed by the Income Tax Appellate Tribunal, Madras 'A' Bench, dated 30.11.2010 in MA No.111/Mds/2010 in ITA No.1101/Mds/09 for the assessment year 2006-07.

2. Heard Mrs.V.Pushpa, learned Standing Counsel for the appellant and Mr.A.S.Sriraman, learned counsel for the respondent.

3. This Appeal has been admitted on the following Substantial Question of Law:-

> " Whether on the facts and circumstances of the case, the Tribunal was right in dismissing the Miscellaneous Petition filed by the Revenue contending that, the Tribunal having held that it is in agreement with the contention of the Department representative, the Tribunal ought not to have dismissed the Revenue's appeal and allowed the assessee's appeal?"

4. We have perused the order of Assessment as well as the Order passed by the Commissioner of Income Tax and we find that the tax effect in this appeal is lesser than the threshold limit mentioned in Circular No.3 of 2018, dated 11.07.2018, issued by the Central Board of Direct Taxes, which fixes the monetary limit as Rs.50,00,000/- for the Department to pursue the matter. Furthermore, the Revenue has not been able to point out any distinguishing features, by which the Circular No.3 of 2018, dated 11.07.2018, cannot be applied.

5. Thus, for the above reasons, the Revenue cannot pursue this Appeal in view of the low tax effect. Hence, the Appeal is dismissed and the Substantial Question of Law, framed for consideration, is left open. No costs. The Revenue is at liberty to seek for restoration of appeal, if at a later point of time, it is found that the tax effect is above the threshold limit.

Sd/-
Assistant Registrar

//True Copy//

Sub Assistant Registrar

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To

1. The Income Tax Appellate Tribunal 'A' Bench
   Madras.

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

3. The Income Tax Officer-1(1), Chennai-600 034.

+1cc to Mr.S.Sridhar, Advocate, S.R.No.355
+1cc to Mr.M.Swaminathan, Advocate, S.R.No.62

T.C.A.No.387 of 2011

RR(Co)
CS/26/03/2019