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.66 of 2011

The Commissioner of Income Tax,
Circle XIII, Chennai. ... Appellant/Respondent

-vs-

P.A.Rani ... Respondent/Appellant

Tax Case Appeal filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal 'B' Bench, Chennai, dated 13.08.2010 in M.A.No.123/Mds/2010 (in I.T.(SS) A.No.62/Mds/05).

Against the order of the Commissioner of Income Tax (Appeals)XII, Chennai-34, dated 31.03.2005 in I.T.A.No.133-04-05 against the order of the Assistant Commissioner of Income Tax, Circle XIII (I/C), Chennai-6, dated 27.09.2004 for the Assessment Year (Block Period 01.04.1990 to 07.0.2000).

For Appellant : Mr.T.R.SenthilKumar
Senior Standing Counsel

For Respondent : Mr.A.Thayaparan

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, 'B' Bench, Chennai dated 13.08.2010 in M.A.No.123/Mds/2010 (in I.T.(SS) A.No.62/Mds/05).

2. Heard Mr.T.R.SenthilKumar, learned Senior Standing Counsel for the appellant/Revenue and Mr.A.Thayaparan, learned counsel for the respondent.

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

> "1. Whether on the facts and circumstances of the case, the Tribunal is right in finding that the assessment orders under Section 158 BD are without assumption of valid jurisdiction and needs to be quashed in violation of the legal principles laid down by jurisdictional High Court in T.C.(A) No.564/2004? "

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(CS VI)

//True Copy//

Sub Assistant Registrar

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To

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

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

3. The Assistant Commissioner of Income Tax-
Business Circle XIII, (I/C), Chennai.

+1 cc to Mr.t.R.Senthilkumar, Advocate Sr.No.203
+1 cc to Mr.Thayaparan, Advocate Sr.No.50

T.C.A.No.66 of 2011

CSL/11.02.2019