In the High Court of Judicature at Madras

Dated : 27.08.2019

Coram :

The Honourable Mr.Justice T.S.SIVAGNANAM
and
The Honourable Mrs.Justice V.BHAVANI SUBBAROYAN

Tax Case Appeal No.219 of 2015

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

Vs

Shri V.R.Anbuvelrajan ...Respondent/Appellant

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 25.04.2014 made in ITA.No.138/MDS/2014 on the file of the Income Tax Appellate Tribunal, Chennai 'B' Bench for the assessment year 2009-10,

against the order of the Commissioner of Income Tax Appeals-V, Chennai in ITA.28/12-13(A)-V dated 02/09/2013 against the order of the Assistant Commissioner of Income Tax- Business Circle-III, Chennai-34 in PAN.AGZPA9406B dated 27/12/2011 Assessment Year 2009-2010.

For Appellant : Mr.M.Swaminathan, SSC
and Ms.V.Pushpa, SC

For Respondent: Mr.R.Sivaraman

JUDGMENT

(Judgment was delivered by T.S.Sivagnanam,J.)

We have heard Mr.M.Swaminathan, learned Senior Standing Counsel, and Ms.V.Pushpa, learned Standing Counsel appearing for the appellant/revenue and Mr.R.Sivaraman, 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 25.04.2014 made in ITA.No.138/MDS/2014 on the file of the Income Tax Appellate Tribunal, Chennai 'B' Bench for the assessment year 2009-10.

3.The appeal was admitted on 21.07.2015 on the following substantial questions of law :

> "1) Whether on the facts and in the circumstances of the case, the Appellate Tribunal was right in deleting the penalty levied under Section 271(1)(c)?
>
> 2) Is not the finding of the Tribunal bad especially when the surrender of income was not voluntarily but due to the enquiry conducted by the AO and would amount to concealment or furnishing of inaccurate particulars of income since exorbitant claim of land development expenses without adequate supporting evidence was claimed?"

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. No costs.

Sd/-
Assistant Registrar(CS IV)

//True Copy//

Sub Assistant Registrar

To

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

2.The Commissioner of Income Tax Appeals-V,
Chennai.

3.The Assistant Commissioner of Income Tax,
Business Circle-III,
Chennai-34.

+1cc to Mr.M.Swaminathan, Advocate Sr.73565

TCA.No.219 of 2015

pvs[co]
srg 15/11/2019