IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 22.08.2019

CORAM

THE HONOURABLE MR.JUSTICE T.S.SIVAGNANAM
and
THE HONOURABLE MRS.JUSTICE V.BHAVANI SUBBAROYAN

Tax Case Appeal No.286 of 2013

Commissioner of Income Tax,
2, V.P.Ratnasamy Road,
Madurai-625 002. .. Appellant/Appellant

-vs-

M/s.Susee Auto Plaza Pvt Ltd.,
89/102, Theni Main Road, Madurai.
PAN: AAD CS 3665 F .. Respondent/Respondent

Appeal under Section 260A of the Income-tax Act, 1961, against the order dated 30.04.2012, on the file of the Income-tax Appellate Tribunal 'B' Bench, Chennai, in I.T.A.No.1309/Mds/2011 for the assessment year 2005-06.

And Against the Commissioner of Income Tax(Appeals)-II, Madurai, and made in AADCS3665F. Date of order 27/04/2011, and against the Additional Commissioner of Income-Tax, Central Circle-III, Madurai-625 002, and made in PAN/GIR.NO.AAHCS0697K date of order 22/12/2008.

For Appellant :Mr.M.Swaminathan,
Senior Standing Counsel

:and Ms.S.Premalatha,
Junior Standing Counsel

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

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JUDGMENT

(Delivered by T.S.Sivagnanam, J.)

This appeal filed by the appellant/Revenue under Section 206A of the Income-tax Act, 1961, is directed against the order dated 30.04.2012, passed by the Income-tax Appellate Tribunal 'B' Bench, Chennai, in I.T.A.No.1309/Mds/2011 for the assessment year 2005-06.

2.The above appeal was admitted, on 22.07.2013, on the following substantial questions of law:-

> "(i) Whether on the facts and in the circumstances of the case, the Appellate Tribunal was right in deleting the addition by holding that no incriminating documents were found and hence no basis to assess the amount collected for the purpose of registration of new vehicles?
>
> (ii) Whether on the facts and in the circumstances of the case, the Appellate Tribunal was right in deleting the addition following the earlier orders of the Tribunal which are subject matter appeals before the High Court of Madras?"

3.Heard Mr.M.Swaminathan, learned Senior Standing Counsel and Ms.S.Premalatha, learned Junior Standing Counsel for the appellant; and Mr.A.S.Sriraman, learned counsel for Mr.S.Sridhar, learned counsel for the respondent.

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 08.08.2019 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

//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)-II,
Madurai.

3.The Additional Commissioner of Income Tax,
Central Circle III (Conc.), Madurai.

+1cc to Mr.S.Sridhar, Advocate SR.71823

T.C.A.No.286 of 2013

RR(CO)
CB(18/11/2019)