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.783 of 2015

Commissioner of Income Tax,
Central I, 46, Nungambakkam High Road,
Chennai - 600 034. ...Appellant/Respondent

Vs

Smt.R.Padma ...Respondent/Appellant

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 20.03.2015 made in ITA.No.260/MDS/2012 on the file of the Income Tax Appellate Tribunal, Chennai 'A' Bench for the assessment year 2004-05, against the Order of the Commissioner of Income Tax (Appeals)-I, Chennai in ITA No.131/06-07 dated 08/11/2011 and against the Order of Assistant Commissioner of Income Tax, Chennai dated 29.12.2006/2004-05.

For Appellant : Mr.T.R.Senthilkumar, SSC assisted by Ms.K.G.Usharani

For Respondent : No appearance

JUDGMENT

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

We have heard Mr.T.R.Senthilkumar, learned Senior Standing Counsel, assisted by Ms.K.G.Usharani, learned counsel appearing for the appellant/revenue.

2.This appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 is directed against the order dated 20.03.2015 made in ITA.No.260/MDS/2012 on the file of the Income Tax Appellate Tribunal, Chennai 'A' Bench for the assessment year 2004-05.

3.The appeal was admitted on 28.09.2015 on the following substantial questions of law :

"(i) Whether on the facts and in the circumstances of the case, the Appellate Tribunal is correct in holding the identity and capacity of creditors stand explained merely on the basis that the loans were received and repaid by the assessee through cheque transactions? and

(ii) Whether on the facts and in the circumstances of the case and in law, the Tribunal is correct in admitting new evidence before it and deleting the addition without remanding the matter back to the Assessing Officer?"

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-V)

//True Copy//

cse Sub Assistant Registrar

To

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

2) The Commissioner of Income Tax(Appeals)-I, Chennai

3) The Assistant Commissioner of Income Tax, Chennai.

+1 cc to Mr.T.R.Senthilkumar, Advocate, S.R.No.73605

TCA.No.783 of 2015

SJ(CO)
SSM(04/11/2019).