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.676 of 2013

Commissioner of Income Tax,
Central Circle, Chennai-600 034.
.. Appellant/Appellant

-vs-

Late B.Manivanan,
Rep., by L/H Shanthi,
BRN Apartments,
No.18. Rajarathinam Street,
Kilpauk, Chennai-600 010.
PAN: BTCPS4781A .. Respondent/Respondent

Appeal under Section 260A of the Income-tax Act, 1961, against the order dated 22.01.2013, on the file of the Income-tax Appellate Tribunal 'A' Bench, Chennai, in I.T. (SS)A.No.18/Mds/2012 for the assessment block period 01.04.1990 to 20.07.2000 Against the order of the Commissioner of Income Tax Appeals ,chennai dated 19.03.2012 made in ITA.NO.397/2008-2009 and Against the order of the Assistant Commissioner of Income Tax, Central circle IV, (2), Chennai,dated 29.12.2008 made in PAN/GIR NO.714 -M.

For Appellant : Mr.T.R.Senthil Kumar,
Senior Standing Counsel

: assisted by Ms.K.G.Usharani,
Junior Standing Counsel

For Respondent : No appearance

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JUDGMENT

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

This appeal filed by the appellant/Revenue under Section 260A of the Income-tax Act, 1961, is directed against the order dated 22.01.2013, passed by the Income-tax Appellate Tribunal 'A' Bench, Chennai, in I.T.(SS)A.No.18/Mds/2012 for the assessment block period 01.04.1990 to 20.07.2000.

2.The above appeal was admitted, on 07.10.2013, on the following substantial questions of law:-

> "(i) Whether on the facts and in the circumstances of the case the Tribunal was right in deleting the penalty u/s.158BFA(2) of Rs.21,15,034/- when the assessee has not filed the Block return of income voluntarily.
>
> (ii) Whether on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in deleting the penalty u/s.158BFA(2) for the reasons that the claim of the assessee was disallowed in the block assessment and the income was assessed therein it does not mean that penalty would automatically operate?"

3.Heard Mr.T.R.Senthil Kumar, learned Senior Standing Counsel assisted by Ms.K.G.Usharani, learned Junior Standing Counsel for the appellant.

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(CS)

//True Copy//

Sub Assistant Registrar

abr
To

1.The Assistant Commissioner of Income tax,
Central Circle IV(2), Chennai.

2.The Commissioner of Income-tax (Appeals)-I,
46, Mahatma Gandhi Road, Nungambakkam, Chennai-600 034.

3.The Income-tax Appellate Tribunal 'A' Bench, Chennai

+1cc to Mr.T.R.Senthil Kumar , Advocate SR.No. 72307

T.C.A.No.676 of 2013

A.SK(14/11/2019)
A.SK(26/11/2019)