In the High Court of Judicature at Madras

Dated :28.08.2019

Coram :

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

Tax Case Appeal Nos.161 to 166 of 2018
and C.M.P.Nos.2171 to 2175 of 2018
in T.C.A.Nos.162 to 166 of 2018

Principal Commissioner of Income Tax,
Central II, No.108, Mahatma Gandhi Road,
Chennai - 600 034. ...Appellant/Respondent

Vs

Dr.S.F.V.Selvaraj ...Respondent/Appellant

APPEALS under Section 260A of the Income Tax Act, 1961 against the common order dated 15.07.2016 made in ITA.Nos.671 to 676/Mds/2016 on the file of the Income Tax Appellate Tribunal, Chennai 'B' Bench for the assessment years 2006-07 to 2011-12 and against the order of the Commissioner of Income Tax, Appeals-18 Chennai 34 dated 27.01.2016 made in I.T.A.Nos. 466, 469, 470, 471 & 472 and 473/2015-2016 and against the order of the Deputy Commissioner of Income Tax, Central Circle II(5) Chennai 34 dated 24.09.2014 made in P.A. No. AASPS5404L, 2011-2012, 2010-2011, 2009-2010, 2008-2009, 2007-2008 and 2006-2007 and against the order of the Deputy Commissioner of Income Tax, Central Circle II(5) Chennai 34 dated 28.03.2014 made in P.A. No. AASPS5404L, 2011-2012, 2010-2011, 2009-2010, 2008-2009, 2007-2008 and 2006-2007.

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

For Respondent: Mr.G.Baskar

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COMMON 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 and Mr.A.S.Sriraman, learned counsel for Mr.S.Sridhar, learned counsel appearing for the respondent - assessee.

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2.These appeals, filed by the Revenue under Section 260A of the Income Tax Act, 1961, are directed against the common order dated 15.07.2016 made in ITA.Nos.671 to 676/Mds/2016 on the file of the Income Tax Appellate Tribunal, Chennai 'B' Bench for the assessment years 2006-07 to 2011-12.

3.The appeals have been filed by raising the following substantial questions of law :

> "1.Is not the findings of the Appellate Tribunal perverse in cancelling the penalty levied under Section 271[1][c] and held that Penalty under Section 271AAA ought to have been levied which against Explanation [b] to Section 271AAA of the Income Tax Act?
>
> 2.Whether the Appellate Tribunal is correct in holding that penalty under Section 271AAA is leviable, when sub-section [1] provides for such levy penalty only to a "Specified Previous Year" and the cases before the Tribunal were not such "Specified Previous Year/s?
>
> 3.Whether the Appellate Tribunal is right in canceling the penalty levied under Section 271[1][c] without considering Explanation 5A to Section 271[1][c], which are applicable to only search cases?"

4.The learned Senior Standing Counsel for the appellant submits that the above appeals are 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 the respective cases is less than the threshold limit.

5. In the light of the said submissions, the above tax case appeals are dismissed on account of the low tax effect. The substantial questions of law framed are left open. In the event the tax effect in the respective cases 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 appeals to be heard and decided on merits. No costs. Consequently, connected miscellaneous petitions are closed.

-s/d-
Assistant Registrar

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Sub-Assistant Registrar

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

2.The Commissioner of Income Tax (Appeals-18)
  Chennai 34.

3.The Deputy Commissioner of Income Tax
  Central Circle II(5) Chennai 34.

4.The Principal Commissioner of Income Tax
  Central II, Chennai 34.

  +1 CC to Mr.T.R.Senthilkumar, Advocate sr 74183.
  +1 CC to Mr.G.Baskar, Advocate sr 74249.

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