IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 30.8.2019

Coram :

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

Tax Case Appeal No.450 of 2016

The Commissioner of Income Tax, Chennai ...Appellant

Vs.

Ms.Sushmeetha, Chennai-118 ...Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 06.11.2015 made in ITA.No.2377/Mds/2014 on the file of the Income Tax Appellate Tribunal, Chennai 'C' Bench for the assessment year 2010-11, against the order of the Commissioner of Income Tax Appeals -IV, 121 Mahatma Gandhi Road, Chennai -34, dated 24/04/2014 ITA.No.868/13-14, PAN.AGGPS1232G for the Assessment year 2010-2011 and against the order of the Income Tax Officer, Business Ward XII(3), Chennai -600 006, PAN.AGGPS1232G, for the Assessment year 2010-2011, dated 30/03/2013.

For Appellant : Mr.T.Ravikumar, SSC and
Mrs.R.Hemalatha, SSC
For Respondent: served and no appearance

Judgment was delivered by T.S.Sivagnanam,J

We have heard Mr.T.Ravikumar and Mrs.R.Hemalatha, learned Senior Standing 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 06.11.2015 made in ITA. No.2377/Mds/2014 on the file of the Income Tax Appellate Tribunal, Chennai 'C' Bench for the assessment year 2010-11.

3. The appeal was admitted on 19.7.2016 on the following substantial questions of law :

> “i. Whether on the facts and circumstances of the case, the Tribunal was right in holding that the assessee's case

> falls within the interpretation of Clause (3) of Rule 6 DD? and
>
> ii. Whether on the facts and circumstances of the case, the Tribunal was right in deleting the additions made when there was no exceptional circumstances for claiming exemption from the applicability of Section 40A(3)?"

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.

Sd/-
Assistant Registrar

//True Copy//

Sub Assistant Registrar

To

1.The Commissioner of Income Tax,
Chennai.

2.The Income Tax Appellate Tribunal,
Chennai 'C' Bench.

+2cc to M/s.T.Ravikumar, Advocate SR.No.75813 and 75257

AKM/08.11.19/2P-5C /