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 No.340 of 2018

Commissioner of Income Tax V,
121, M.G. Road, Chennai. ...Appellant

Vs

M/s.RPG Transmission Ltd.,
Infinity Towers, 2nd Floor,
Tower 'B', DLF City, Phase II,
Gurgeon - 122 002.
PAN: AABCS2191J ...Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 12.06.2014 made in ITA.No.2090/MDS/2013 on the file of the Income Tax Appellate Tribunal, Chennai 'C' Bench for the assessment year 2006-07, as against the order of the Commissioner of Income Tax (Appeals-V), 2nd Floor Main Building, 121, M.G.Road, Nungambakkam, Chennai-600 034 made in ITA No:752/13-14-A-(V) dated 28/08/2013 for the Assessment year 2006-07 as against the order of the Assistant Commissioner of Income Tax company circle-V(4), Room No.409, iv Floor, Main Buildings, Aayakar Bhawan, 121, Mahatma Gandhi Road, Chennai-34 in PAN No.AABCS2191J dated 27/12/2011 for the Assessment year 2006-07.

For Appellant : Mr.Karthik Ranganathan, SSC assisted by Mr.S.Rajesh, SC

For Respondent: Mr.R.Venkataraman for M/s.Subbaraya Aiyar Padmanabhan

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

We have heard Mr.Karthik Ranganathan, learned Senior Standing Counsel, assisted by Mr.S.Rajesh, learned Standing Counsel appearing for the appellant/revenue and Mr.R.Venkataraman, learned counsel for M/s.Subbaraya Aiyar Padmanabhan, learned counsel appearing for the respondent/assessee.

2.This appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 is directed against the order dated 12.06.2014 made in ITA.No.2090/MDS/2013 on the file of the Income Tax Appellate Tribunal, Chennai 'C' Bench for the assessment year 2006-07.

3.The appeal has been filed by raising the following substantial question of law :

> "Whether the Appellate Tribunal is right in holding that the disallowance u/s.40(a)(ia) of the Income Tax Act cannot be made on short deduction of tax at source?"

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 question of law framed is 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

cse

To

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

2.The Commissioner of Income Tax V,
2nd floor Main Building,
121, M.G.Road, Nungambakkam,
Chennai-34.

3.The Assistant Commissioner of Income Tax
Company Circle-V(4)
Room No.409, IV Floor, Main Buildings
Aayakar Bhawan, 121, Mahatma Gandhi Road,
Chennai-34.

TCA.No.340 of 2018

Spd(CO)
CB(07/11/2019)