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.468 of 2018

Commissioner of Income Tax,
Ward-4, Tirunelveli. ...Appellant/Appellant

Vs

Shri Ariyathalaivar Raja
PAN: AOMPR8774G ...Respondent/Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 05.01.2018 made in ITA.No.1456/MDS/2017 on the file of the Income Tax Appellate Tribunal, Chennai 'D' Bench for the assessment year 2013-14, against the order passed by the Commissioner of Income Tax (Appeal)-3, Madurai made in P.A No.AOMPR8774G, ITA No.0056/2016-2017 dated 29/03/2017 and against the order passed by the Income Tax Officer Ward-4, Tirunelveli made in PA/GIR No.AOMPR8774G dated 24/03/2016.

For Appellant : Mr.M.Swaminathan, SSC
and Ms.V.Pushpa, SC

For Respondent: Mr.A.S.Sriraman
for Mr.S.Sridhar

JUDGMENT

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

We have heard Mr.M.Swaminathan, learned Senior Standing Counsel, and Ms.V.Pushpa, learned Standing Counsel appearing for the appellant/revenue and Mr.A.S.Sriraman, learned counsel for Mr.S.Sridhar, 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

05.01.2018 made in ITA.No.1456/MDS/2017 on the file of the Income Tax Appellate Tribunal, Chennai 'D' Bench for the assessment year 2013-14.

3.The appeal was admitted on 17.07.2018 on the following substantial questions of law :

> "1.Whether the Tribunal was justified in law in quashing the re-assessment proceedings under Section 147 of the Income Tax Act, 1961 on the ground that the notice issued under Section 148 was invalid as the time limit for issuing notice under Section 143(2) had not expired?
>
> 2.Whether the view taken by the Madras High Court in CIT vs. TCP Limited, reported in (2010) 323 ITR 0346 should be reconsidered by a larger Bench in view of the judgment of Allahabad High Court in CIT and another v. Shri Jora Singh, reported in (2013) 262 CTR 0630 (All)?"

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 VIII)

//True Copy//

Sub Assistant Registrar

To

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

2.The Commissioner of Income Tax (Appeals)3,
Madurai.

3.The Income Tax Officer,
Ward-4, Tirunelveli.

+1cc to Mr.M.Swaminathan, Advocate sr.74845
+1cc to Mr.S.Sridhar, Advocate Sr.74502

BS(CO)
srg 31/10/2019