IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 13.02.2019

CORAM

THE HON'BLE DR.JUSTICE VINEET KOTHARI
AND
THE HON'BLE MR.JUSTICE C.V.KARTHIKEYAN

Tax Case Appeal Nos.4 & 5 of 2014

Commissioner of Income Tax,
Central Circle,
Chennai. .. Appellant in both appeals

Vs.

B.Sheila Bai .. Respondent in both appeals

T.C.A.No.4 of 2014 is filed under Section 260-A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Chennai 'B' Bench, dated 22.04.2013, made in ITA No.87/Mds/2013.

T.C.A.No.5 of 2014 is filed under Section 260-A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Chennai 'B' Bench, dated 22.04.2013, made in ITA No.88/Mds/2013.

Against the order of the Commissioner of Income (Appeals)-I, 46, Mahatma Gandhi Road, Nungambakkam, Chennai-34 order dated 22.10.2012 in ITA.NO.67 & 68 of 2009-2010 for the Assessment Years 2006-2007 and 2007-2008 and against the order of the Deputy Commissioner of Income Tax, Central Circle-1(3), Chennai order dated 30.12.2018 in PA/G/No.AAFPB3516P for the Assessment Years 2006-2007 and 2007-2008.

For Appellant : Mr.Karthik Ranganathan,
Senior Standing Counsel.

For respondent : No appearance

J U D G M E N T
(Delivered by DR.VINEET KOTHARI,J.)

These Tax Case Appeals have been filed by the Revenue, calling in question the correctness of the order passed by the Income Tax Appellate Tribunal, Chennai 'B' Bench, dated

22.04.2013, in ITA No.87/Mds/2013 and ITA No.88/Mds/2013, by raising the following substantial question of law :

> " Whether on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in law in deleting the penalty under Section 271 (1) (c) of the Income Tax Act, when the assessee has not filed the return of income within the due date and the assessee had concealed the income as provided in Explanation 3 to Section 271 (1) (c) of the Income Tax Act ?"

2. When these matters are taken up for hearing, learned Standing Counsel for the Department brought to our notice the Circular instruction issued by the Central Board of Direct Taxes vide Circular No.3/2018, dated 11.7.2018, wherein, it is stipulated that appeals shall not be filed/pursued by the Department before the High Court in cases where the tax effect does not exceed Rs.50.00 lakhs.

3. In the instant case, the tax effect is said to be less than the monetary limit imposed and, therefore, the Appeals filed by the Revenue are dismissed, as not pressed, keeping open the substantial question of law for determination in appropriate cases. No costs.

Sd/-
Assistant Registrar

//True Copy//

Sub Assistant Registrar

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To

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

2. The Commissioner of Income Tax,
Central Circle, Chennai.

3. The Commissioner of Income Tax (Appeals-I),
46, Mahatma Gandhi Road,
Nungambakkam, Chennai-34.

4. The Deputy Commissioner of Income Tax,
Central Circle-1(3),
Chennai.

RV(CO)
CS/26/03/2019