IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 26.08.2019

CORAM

THE HONOURABLE MR.JUSTICE T.S.SIVAGNANAM
and
THE HONOURABLE MRS.JUSTICE V.BHAVANI SUBBAROYAN

Tax Case Appeal No.727 of 2014

The Commissioner of Income tax,
Chennai. .. Appellant

-vs-

M/s.First Leasing Company of India Ltd.,
No.749, Anna Salai,
Chennai-600 002. .. Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 09.09.2011, made in I.T.A.No.68/Mds/2010 on the file of the Income Tax Appellate Tribunal 'D' Bench, Chennai for the assessment year 2006-07 against the order of the Commissioner of Income Tax dated 30.11.09 in ITA No.44/09-10/A.111 in the assessment year 2006-07, against the order of the Deputy Commissioner of Income Tax Company Circle II(I), Chennai dated 25.26.2019 PAN/GIR No.AAACF1162F/FX5-027/06-07.

For Appellant : Mr.T.Ravikumar, SSC

For Respondent : No appearance

JUDGMENT

(Delivered by T.S.Sivagnanam, J.)

This appeal filed by the Revenue under Section 260A of the Income-tax Act, 1961 is directed against the order dated 09.09.2011, made in I.T.A.No.68/Mds/2010 on the file of the Income Tax Appellate Tribunal 'D' Bench, Chennai for the assessment year 2006-07.

2.The Revenue has filed this appeal 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 deleting the penalty levied u/s. 271(1) (c) amounting to Rs.42,54,624/- is proper?"

3.Heard Mr.T.Ravikumar, learned Senior Standing Counsel for the appellant.

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 08.08.2019 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(CS-VIII)

//True copy//

Sub Assistant Registrar

abr

To

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

2. The Commissioner of Income Tax,
Nungambakkam, Chennai

3. The Deputy Commissioner of Income Tax,
Company Circle II(I), Chennai.

T.C.A.No.727 of 2014

MG(CO)
GMY(14/11/2019)