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.731 of 2014

The Commissioner of Income-tax,
Chennai. .. Appellant/Appellant

-vs-

Shri VA.Shiva,
No.3, Kuppusamy Street,
T.Nagar, Chennai-600 017. .. Respondent/Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 09.09.2010, made in I.T.A.No.1859/Mds/2008 on the file of the Income Tax Appellate Tribunal Bench 'D', Chennai for the assessment year 2005-06, and against the order in ITA.NO.335/07-08/dt.17/06/2008 by the Commissioner of Income Tax, Chennai and against the order of Assistant Commissioner of Income Tax, Chennai order dated 28/12/2007/2005-06 in PAN/GIR.NO.AIWPA0677P.

For Appellant : Mr.T.Ravikumar,
Senior Standing Counsel

For Respondent : Mr.R.Venkatanarayana
For M/s.Subbaraya Aiyar,
Padmanabhan & Ramamani

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 09.09.2010, made in I.T.A.No.1859/Mds/2008 on the file of the Income Tax Appellate Tribunal Bench 'D', Chennai for the assessment year 2005-06.

2.The above appeal was admitted on 03.11.2014, on 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 holding that addition of Rs.1 crore made by the assessing officer relying on the Section 2 (22)(e) of the Income Tax Act was not proper?"

3.Heard Mr.T.Ravikumar, learned Senior Standing Counsel for the appellant - and Mr.R.Venkatanarayan, learned counsel for M/s.Subbaraya Aiyar, Padmanabhan and Ramamani, for the respondent.

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 IV)

//True Copy//

Sub Assistant Registrar

abr

To

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

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

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

+1cc to Mr.T.Ravikumar, Advocate sr.72367
+1cc to M/s.Subbaraya Aiyar, Advocate sr.73376

T.C.A.No.731 of 2014

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nr 14/11/2019