IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 29.08.2019

CORAM

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

Tax Case Appeal No.557 of 2017

Principal Commissioner of Income Tax 3,
No.63, Race Course Road, Coimbatore. .. Appellant/Appellant

-vs-

Shri.S.R.Lakshmi Narayan,
15/222, Sree Lakshmi Farms,
Perumpallam, Amaravathi Nagar,
Udumalpet, Tirupur-642 102.
PAN: AGE PL 1232 D .. Respondent

Appeal under Section 260A of the Income-tax Act, 1961, against the order dated 08.02.2017, made in I.T.A.No.419/Mds/2016 on the file of the Income Tax Appellate Tribunal 'C' Bench, Chennai for the assessment year 2011-12, against the order of the commissioner of Income Tax(Appeals)-3, Coimbatore made in IT Appeal No.44/2014-15 order dt.16/11/15 for the assessment year 2011-12 and against the order of the Assistant Commissioner of Income Tax Salary Circle I, Coimbatore made in permanent Account Number AGEPL1232D order dt.25/3/14 for the assessment year 2011-12.

For Appellant :Mr.T.R.Senthil Kumar,
Senior Standing Counsel

:assisted by Ms.K.G.Usharani,
Standing Counsel

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

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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 08.02.2017, made in I.T.A.No.419/Mds/2016 on the file of the

Income Tax Appellate Tribunal 'C' Bench, Chennai for the assessment year 2011-12.

2.The appeal has been filed raising the following substantial question of law:-

> "Whether the Appellate Tribunal was right in holding that the assessee is entitled for deduction under Section 54F of the Income Tax Act when the assessee has not fulfilled all the conditions prescribed under Section 54F?"

3.Heard Mr.T.R.Senthil Kumar, learned Senior Standing Counsel assisted by Ms.K.G.Usharani, learned Standing Counsel for the appellant - and Mr.A.S.Sriraman, learned counsel for Mr.S.Sridhar, learned Counsel 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

//True Copy//

Sub Assistant Registrar

abr

To

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

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

3.The Assistant Commissioner of Income Tax,
Salary Circle I, Coimbatore.

+1cc to Mr.S.Sridhar, Advocate SR.75281
+1cc to Mr.T.R.Senthil Kumar, Advocate SR.75126

T.C.A.No.557 of 2017

RV(CO)
CB(11/11/2019)