In the High Court of Judicature at Madras

Dated : 17.06.2020

Coram :

The Honourable Mr.Justice T.S.SIVAGNANAM

and

The Honourable Mrs.Justice PUSHPA SATHYANARAYANA

Tax Case Appeal No.1020 of 2015

Commissioner of Income tax,
No.63, Race Course Road,
Coimbatore. ...Appellant/Respondent

Vs

Shri. K.V.Jayaraman,
No.17, Sundaram Layout,
Ramanathapuram,
Coimbatore-641 045.
PAN: ADJ PV 7536 L ...Respondent/Appellant

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 01.05.2015, made in I.T.A.No.2203/Mds/2014 on the file of the Income Tax Appellate Tribunal 'B' Bench, Chennai for the assessment year 2009-10. Against the Order of the Commissioner of Income Tax(Appeals) -1 Coimbatore, dated 20.11.2013 in Appeal No.47/12-13 against the order of Assistant Commissioner of Income Tax Circle II Coimbatore dated 30.12.2011 in PAN/GIR.No.ADJPV7536L Assistant year 2009-2010.

For Appellant:Mr.T.R.Senthil Kumar,
Senior Standing Counsel
assisted by Ms.K.G.Usha Rani,
Junior Standing Counsel

Respondent :Mr.L.Chandrakumar

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

We have heard Mr.T.R.Senthil Kumar learned Senior Standing Counsel, assisted by Ms.K.G.Usha Rani, learned Junior Standing Counsel appearing for the appellant-Revenue and Mr.L.Chandrakumar, learned counsel 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 order dated 01.05.2015, made in I.T.A.No.2203/Mds/2014 on the file of the Income Tax Appellate Tribunal 'B' Bench, Chennai for the assessment year 2009-10.

3. The appeal was admitted on 04.11.2015 on the following substantial question of law :

> "Whether, on the facts and in the circumstances of the case, the Appellate Tribunal was right in law in cancelling penalty levied under Section 271 (1)(c) of the Income Tax Act by holding that there is no difference between the returned income and assessee income?"

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 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.

-s/d-
Assistant Registrar

True Copy
Sub-Assistant Registrar

abr

To

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

2.The Commissioner of Income Tax(Appeals)-1
Coimbatore

3.The Assistant Commissioner of Income Taxe
Circle-II, Coimbatore.

TCA.No.1020 of 2015

pvs(co)
aa18/08/2020