In the High Court of Judicature at Madras

Dated : 16.6.2020

Coram :

The Honourable Mr.Justice T.S.SIVAGNANAM

and

The Honourable Mrs.Justice PUSHPA SATHYANARAYANA

Tax Case Appeal No.1021 of 2015

The Commissioner of Income
Tax, Chennai ...Appellant

Vs

M/s.Crescent Marine Ventures Ltd.,
Chennai-19. ...Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 25.5.2015 made in ITA.No.1110/Mds/2014 on the file of the Income Tax Appellate Tribunal, Chennai 'B' Bench for the assessment year 2003-04 against the order dated 31.01.2014 made in ITA.No.399/13-14 on the file of the Commissioner of Income-Tax(A)(C)-II, Chennai for the Assessment year 2003-04 and as against the order dated 26.12.2008 made in GIR/PAN.AAACC2139D on the file of the Assistant Commissioner of Income-tax, Company Circle-1(3), Chennai-34 for the Assessment year 2003-2004.

For Appellant: Mr.T.Ravikumar, SSC & Mrs.R.Hemalatha, SSC

For Respondent: Mr.A.S.Sriraman

Judgment was delivered by T.S.Sivagnanam,J

We have heard Mr.T.Ravikumar and Mrs.R.Hemalatha learned Senior Standing Counsel appearing for the appellant – Revenue and Mr.A.S.Sriraman, learned counsel appearing for the respondent.

2. This appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 (for short, the Act) is directed against the order dated 25.5.2015 made in ITA.No.1110/Mds/2014 on the file of the Income Tax Appellate Tribunal, Chennai 'B' Bench (for brevity, the Tribunal) for the assessment year 2003-04.

3. The appeal has been admitted on 02.11.2015 on the following substantial questions of law :

> "i. Whether, on the facts and in the circumstances of the case, the Tribunal was right in holding that the reassessment order passed is null and void ? and
>
> ii. Is not the finding of the Tribunal bad, especially when the income had escaped assessment and the Assessing Officer has validly reopened the assessment ?"

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 questions of law framed are 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

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

2.The Commissioner of Income Tax(A)(C)-II,
Chennai

3.The Assistant Commissioner of Income Tax,
Company Circle -1(3)
Chennai 34

4.The Commissioner of Income tax,
Chennai.

TCA.No.1021 of 2015

eu(co)
aa29/09/2020