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.277 of 2014

Commissioner of Income Tax,
Central Circle, Chennai. ...Appellant/Appellant

-vs-

Sarita Bhandari,
20, Erulappan Street,
Chennai-600 079.
PAN AADPB92 61D ...Respondent/Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 30.09.2010 made in I.T.A.No.591/Mds/2010 on the file of the Income Tax Appellate Tribunal 'D' Bench, Chennai, for the assessment year 2003-04, against the order of the Commissioner of Income Tax(Appeals)-II, Chennai, dated 25/01/10 made in ITA No.398/06-07, against the Assistant Commissioner of Income Tax, Central Circle-II(2) Chennai, dated 28/12/2006 made in PAN.No.AADPB9261D for the Assessment year 2003-2004.

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

For Respondent:Mr.R.Sivakumar

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.R.Sivakumar, 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 dated 30.09.2010, made in I.T.A.No.591/Mds/2010 on the file of the Income Tax Appellate Tribunal 'D' Bench, Chennai, for the assessment year 2003-04.

3. The appeal was admitted on 18.08.2014, on the following substantial questions of law :

> "1. Whether on the facts and circumstances of the case, the Income Tax Appellate Tribunal was right in deleting the addition of Rs.69,60,700/- made on account of unexplained receipt from sale of diamond?
>
> 2. Whether on the facts and circumstances of the case, the Income Tax Appellate Tribunal was right in holding that the addition made by Assessing Officer as unexplained receipts pertaining to sale of diamond under Section 68 of the Income Tax Act is not proper?"

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.

Sd/-
Assistant Registrar(CCC)

//True Copy//

Sub Assistant Registrar

abr

To

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

2.The Commissioner of Income-Tax(Appeals)-II,
46,Mahatma Gandhi Raod,
Nungambakka, Chennai-600 034.

3.The Assistant Commissioner of Income Tax,
Central Circle-II(2), Chennai.

VG-II(CO)
CB(25/09/2020)