In the High Court of Judicature at Madras

Dated : 18.06.2020

Coram :

The Honourable Mr.Justice T.S.SIVAGNANAM

and

The Honourable Mrs.Justice PUSHPA SATHYANARAYANA

Tax Case Appeal No.490 of 2014

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

-vs-

Smt. G.Akila,
C/o.NSR Balu & Co., CAs,
New No.22, Old No.20,
Govindu Street, T.Nagar,
Chennai-600 034.
PAN: AFWPA 6960N ...Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 11.02.2014 made in IT(SS)A.No.13/Mds/2013 on the file of the Income Tax Appellate Tribunal 'D' Bench, Chennai for the assessment block period 1991-92 to 2000-01 and part 2001-02 and against the order passed by the Commissioner of Income Tax (Appeals)-I, Chennai, Chennai-34 dated 11/03/2013 made in ITA No.8/11-12, 265/2012-13 and against the order passed by the Deputy Commissioner of Income Tax, Central Circle II(I), Chennai-34, made in PAN No.AFWPA6960N daed 23/10/09 and against the order passed by the Commissioner of Income Tax (Appeals)II, Nungambakkam, Chennai-34 dated 30/03/09 made in ITA No.105/05-06 and against the order passed by the Deputy Commissioner of Income Tax, Central Circle II(I), Chennai-34 dated 29/10/2004 made in PA No./GIR.No.702-A for Assessment Year 1991-92 to 2000-01 and part of 2001-02.

For Appellant : T.R.Senthil Kumar,
Senior Standing Counsel &
Ms.K.G.Usha Rani,
Standing Counsel

For Respondent: Mr.T.Ravi &
Mr.C.V.Shyam Sundar

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

We have heard Mr.T.R.Senthil Kumar, learned Senior Standing Counsel and Ms.K.G.Usha Rani, learned Standing Counsel appearing for the appellant-Revenue and Mr.K.Ravi, learned counsel and Mr.C.V.Shyam Sundar, 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 11.02.2014 made in IT(SS)A.No.13/Mds/2013 on the file of the Income Tax Appellate Tribunal 'D' Bench, Chennai for the assessment block period 1991-92 to 2000-01 and part 2001-02.

3. The appeal was admitted on 12.08.2014, on the following substantial questions of law:-

> "1. Whether on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in holding that the penalty order under Section 158 BFA(2) dated 23.10.2009 is bad in law.
>
> 2. Whether on the facts and circumstances of the case the Income Tax Appellate Tribunal was right in holding that the penalty order is time barred ignoring the fact that the assessee has preferred an appeal and the Commissioner of Income Tax (Appeal) has passed the order."

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(CS-VI)

//True copy//

Sub Assistant Registrar

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To

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

2. The Commissioner of Income Tax, Central Circle -II, Chennai.

3. The Commissioner of Income Tax (Appeals),I, Chennai-34.

4. The Deputy Commissioner of Income Tax,
Central Circle-II(I), Chennai-34.

5. The Commissioner of Income Tax (Appeals)-II,
Nungambakkam, Chennai-34.

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CA(CO)
GMY(22/10/2020)