IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 22.11.2021

CORAM

THE HON'BLE MR. JUSTICE R. MAHADEVAN
AND
THE HON'BLE MR. JUSTICE MOHAMMED SHAFFIQ

T.C.NOS.1402 TO 1405 OF 2008

The Commissioner of Wealth Tax
Tamil Nadu – III, Madras ...Appellant in all Tax Cases

Versus

M/s.Trichy Everest Automobiles &
Agencies Limited (Now Merged with South
India Corporation Agencies Ltd
No. 26, TTK Road
Chennai – 600 018. ...Respondent in all Tax Cases

Common Prayer : Appeals filed under Section 27-A of the Wealth Tax Act, 1957 against the order of the Income-tax Appellate Tribunal “D” Bench, Chennai, dated: 05.09.2003 passed in WTA Nos.54, 55, 56 & 57/Mds/1993 preferred against the common order passed by the Commissioner of Wealth Tax (Appeals) II, Madras-34, dated 28.10.1992, made in WTA Nos.60-65/91-92 & 48,49/92-93, against the order dated 30.01.1992, passed by the Assistant Commissioner of Wealth Tax, Central Circle-II(5), Madras-34, made in 47-012-CZ-2093 / WT / 85-86 and 47-012-CZ-2093 / 86-87 / WT.

For Appellant : Mr.Swaminathan
for all cases.

For Respondent : Mr.S.Sridhar
for all cases.

COMMON JUDGMENT
(Judgment was delivered by R. MAHADEVAN, J.)

These tax case appeals have been filed by the appellant / Revenue, challenging the order dated 05.09.2003 passed by the Income Tax Appellate Tribunal, 'D' Bench, Chennai, in WTA Nos. 55, 56, 57, 58, 59, 60 & 61/Mds/1993, relating to the assessment years 1985-86 and 1986-87.

2.By order dated 04.09.2008, this court admitted the aforesaid tax case appeals 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 vacant land at Mount Road Madras is exempted under section 40(3)(vi) of the Finance Act 1983 is valid?
>
> 2. Whether on the facts and in the circumstances of the case, the Income-tax Appellate Tribunal was right in deleting the penalty under Section 18(1)(a) and 18(1)(c) of the Wealth Tax Act, 1957?"

3.When the matters were taken up for consideration, the learned counsel for the appellant / Revenue brought to the notice of this court the Circular No.17/2019 dated 08.08.2019 issued by the Central Board Direct Taxes, wherein, it is stipulated that appeals shall not be filed/pursued by the Department before the High Court in cases where the tax effect does not exceed Rs.1,00,00,000/- (Rupees One Crore). It is also submitted that the tax effect in these appeals are less than the threshold limit.

4.In the light of the aforesaid submissions made by the learned counsel for the appellant / Revenue, the present appeals, wherein, the tax effect is said to be less than the monetary limit imposed, are dismissed as withdrawn, keeping open the substantial questions of law for determination in appropriate cases. No costs.

Sd/-
Assistant Registrar(CS-IX)

// True Copy //

Sub Assistant Registrar

dhk

To

1.The Commissioner of Wealth Tax
Tamil Nadu – III, Madras

2.The Income-Tax Appellate Tribunal "D" Bench,
Chennai.

3.The Assistant Commissioner of Income Tax,
Central Circle – II (5), Madras – 34.

4.The Commissioner of Wealth Tax (Appeals) - II,
Madras - 34.

5.The Assistant Commissioner of Wealth Tax,
Central Circle - II(5),
Madras - 34.

+1cc to Mr.M.Swaminathan, Advocate SR.No.60766

T.C.Nos.1402 to 1405 of 2008

SSV(CO)
RVM(16/12/2021)