IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 23.08.2021

CORAM :

THE HON'BLE MR. JUSTICE T.S. SIVAGNANAM
AND
THE HON'BLE MR. JUSTICE SATHI KUMAR SUKUMARA KURUP

T.C.A.No.315 of 2013

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

Vs.

K.Inbasagaran ... Respondent/Respondent

Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, "D" Bench, dated 31.05.2012 in I.TA.No.953/Mds/2009, Assessment Year 1994-95.

Against the order of the Commissioner of Income Tax Appeals IV Chennai dated 12.03.2009 in Appeal No.CIT (A) CHE/796/06-07 for the Assessment year 1994-95 and against the order of the Deputy Commissioner of Income tax Central Circle 1(2) Chennai 34 dated 20/03/2002 PAN/GIR No.47-075 PY-10734 V for the Assessment Year 1994-95.

For Appellant : Mr.J.Narayanaswamy
Senior Standing Counsel

For Respondent : Mr.A.S.Sriraman

J U D G M E N T

(Judgment was delivered by T.S. SIVAGNANAM, J.)

We have heard Mr.J.Narayanaswamy, learned Senior Standing Counsel for the appellant/Revenue and Mr.A.S.Sriraman for Mr.S.Sridhar, learned counsel for the respondent/assessee.

2.The appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 ("the Act" for brevity) is directed against the order dated 31.05.2012 made in I.TA.No.953/Mds/2009 on the file of the Income Tax Appellate Tribunal, Chennai, "D" Bench ("the Tribunal" for brevity) for the Assessment Year 1994-95.

3.The appeal was admitted on 26.11.2013 on the following substantial question of law:

> "Whether on the facts and in the circumstances of the case, the Tribunal was right in deleting the addition of Rs.18.1 lakhs with respect to unexplained investment without going into the merits of the addition and by merely relying on the judicial proceedings concerning Prevention of Corruption Act, in which the revenue was not the party to that judicial proceedings?"

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 08.08.2019 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5.In the light of the said submissions, the above Tax Case Appeal is dismissed as withdrawn on account of the Low Tax Effect. The substantial question of law framed is left open. In the event the tax effect in this case 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 II)

//True Copy//

Sub Assistant Registrar

To

1.The Income Tax Appellate Tribunal,
Chennai, "D" Bench
Rajaji Bhavan Besant Nagar,
Chennai-90.

2.The Commissioner of Income Tax Appeal IV,
121 Nungambakkam High Road,
Chennai-34.

3.The Deputy Commissioner of Income Tax,
Central Circle (2),
121, Nungambakkam High Road, Chennai-34.

4.The Assistant Commissioner of Income Tax Circle XIII,
121, Nungambakkam High Road, Chennai-34.

+1cc to Mr.Sridhar, Advocate Sr.42221

T.C.A.No.315 of 2013

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srg 02/11/2021