IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATE: 05.02.2021

CORAM:

THE HONOURABLE MR. JUSTICE M.DURAISWAMY
AND
THE HONOURABLE MRS.JUSTICE T.V.THAMILSELVI

T.C.A.No.349 of 2013

Commissioner of Income Tax,
Coimbatore ... Appellant

vs.

M/s. TSR. Khannaiyan,
Prop.Hindustan Heavy Electricals,
No.67, Avarampalayam Road,
K.R.Puram,
Coimbatore-641 006 ... 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 10.10.2012 in ITA.No.1914/Mds/2011 for the Assessment Year 2006-07.

Appeal against the order of the Commissioner of Income-Tax (Appeals)-1, Coimbatore, order dated 14/10/2011 made in ITA.No.318/10/11, preferred against the order of the Assistant Commissioner of Income Tax, Circle-II, Coimbatore order dated 31/12/2020 made in PAN/GIR.No.AFZPK7832C for the Assessment years 2006-2007.

For Appellant : Mr. T.R. Senthil Kumar,
Senior Standing Counsel
Asst. By K.G. Usha Rani
Junior Standing Counsel.

For Respondent : Mr. R. Sivaraman

JUDGMENT

(Judgment was delivered by M. DURAISWAMY, J.)

We have heard Mr. T.R. Senthil Kumar,, learned Senior Standing Counsel for the appellant/Revenue and Mr. R. Sivaraman for the respondent/Assessee.

2.The appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 (for short, the Act) is directed against the order dated 10.10.2012 made in ITA.No.1914/Mds/2011 on the file of the Income Tax Appellate Tribunal, Chennai, "D"- Bench (for brevity, the Tribunal) for the Assessment Year 2006-07.

3.The appeal was admitted on 13.11.2009 on the following substantial question of law:

"Whether under the facts and circumstances of the case, the Income Tax Appellate Tribunal was right inholding that the 2 years expire only on 1.04.2006 with reference to the transfer of asset made by the assessee on 01.04.2004 and accordingly the income can be assessed only in assessment year 2007-08"?

4.The learned Senior Standing Counsel appearing 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 VI)

//True Copy//

Sub Assistant Registrar

Rj

To

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

2. The Commissioner of Income Tax (Appeals)-I
   Coimbatore

3. The Assistant Commissioner of Income-Tax,
   Circle-II, Coimbatore.

+1cc to Mr.TR.SENTHILKUMAR, Advocate, S.R.No.6393

CP(CO)
SM/25/02/2021