IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 23.03.2021

CORAM

THE HON'BLE MR.JUSTICE M.DURAISWAMY
AND
THE HON'BLE MRS.JUSTICE T.V.THAMILSELVI

T.C.A.Nos.1042 and 1043 of 2014

Commissioner of Income Tax,
Chennai. ...Appellant/Respondent in all appeals

Vs.

Shri R.Sathyam
3, Flat I, Lynwood Avenue,
Mahalingapuram,
Chennai -34. ...Respondent/Appellant in all appeals

Tax Case Appeals in T.C.A.Nos.1042 and 1043 of 2014 preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, “D” Bench, dated 17.03.2014 in I.T.A.Nos.613/Mds/2011 and 614/Mds/2011, respectively for the Assessment Years 2001-02 and 2002-03 respectively.

Prayer in T.C.A.Nos.1042 and 1043 of 2014:-

Against the order passed by the Assistant Commissioner of Income Tax(Appeals)XII, Chennai, made in ITA.No.278 of 2008-09, dated 28.01.2011 and ITA.No.276 of 2008-09, dated 28.01.2011, respectively and against the orders passed by the Assistant Commissioner of Income Tax, Circle XV, Chennai made in GIR.No. AAAHR0262H dated 29.12.2008, for the assessment years 2001-02 & 2002-03 respectively.

For Appellant : Mr.T.Ravikumar
Senior Standing Counsel
in all appeals

For Respondent : No appearance

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

We have heard Mr.T.Ravikumar, learned Senior Standing Counsel for the appellant/Revenue.

2.The above appeals, filed by the Revenue under Section 260A of the Income Tax Act, 1961 (for short, the Act), are directed against the order dated 17.03.2014 made in I.T.A.Nos.613/Mds/2011 and 614/Mds/2011, on the file of the Income Tax Appellate Tribunal, Madras, "D" Bench (for brevity, the Tribunal) for the Assessment Years 2001-02 and 2002-03 respectively.

3.The above appeals were admitted on 07.01.2014 on the following substantial question of law:

> "Whether on the facts and circumstances of the case, the Tribunal was right in holding that the reassessment proceeding is bad in law merely on the ground that the reasons for reopening did not mention that the provision of Section 147 of the Income Tax Act is being invoked on account of omission or failure on the part of the assessee to disclose fully and truly all material facts necessary for the assessment?"

4.The learned Senior Standing Counsel for the appellant submits that the above appeals are 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 these cases is less than the threshold limit.

5.In the light of the said submissions, the above Tax Case Appeals are 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 these cases 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 above appeals to be heard and decided on merits. No costs.

Sd/-
Assistant Registrar(CS VIII)

//True Copy//

Sub Assistant Registrar

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To

1. The Income Tax Appellate Tribunal,
Madras, "D" Bench.

2. The Commissioner of Income Tax,
Chennai.

3. Assistant Commissioner of Income Tax,
Circle XV, Chennai.

+1cc to Mr.T.Ravikumar, Advocate, S.R.No.18741

T.C.A.Nos.1042 and 1043 of 2014

BS(CO)
BE(30/07/2021)