IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 05.01.2021

CORAM :

The Honourable Mr.Justice T.S.SIVAGNANAM
and
The Honourable Ms.Justice R.N.MANJULA

Tax Case Appeal No.482 of 2020

Principal Commissioner of Income Tax,
Non-Corporate Circle 9,
Nungambakkam, Chennai - 600 034. ...Appellant

Vs

M/s.Shri.Ankit A.Jain,
No.3/2, Latangs Road,
Vepery, Chennai - 600 007.
PAN NO:APVPJ4320G ...Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 29.11.2019 made in ITA.No.1471/CHNY/2019 on the file of the Income Tax Appellate Tribunal, Madras 'A' Bench for the assessment year 2015-16 preferred against the order of the Commissioner of Income Tax(Appeals)-10, Chennai-600 034 dated 30.03.2019 made in ITA NO.11/18-19/CIT(A)-10 against the order of the Deputy Commissioner of Income Tax, Non-corporate circle-9 (1), Chennai-34 dated 30.12.2017 for the assessment year 2015-16.

For Appellant : Mr.R.Karthik Ranganathan
Senior Standing Counsel
For Respondent: Mr.Ashok Pathy
for M/s.Pass Associates

JUDGMENT
(Delivered by T.S.Sivagnanam,J)

We have heard Mr.R.Karthik Ranganathan, learned Senior Standing Counsel for the Appellant - Revenue and Mr.Ashok Pathy, learned counsel appearing for the respondent.

2. This appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 (for short, the Act) is directed against the order 29.11.2019 made in ITA.No.1471/CHNY/2019 on the file of the Income Tax Appellate Tribunal, Madras 'A' Bench (for brevity, the Tribunal) for the assessment year 2015-16.

3. The appellant has raised the following substantial questions of law for consideration:

"1.Whether on the facts and circumstances of the case and in law, the Hon'ble Tribunal was right and justified in setting aside the order passed by the Assessing Officer to re-examine the matter when the Assessing Officer has already duly examined the matter before passing the assessment order?

2.Whether on the facts and circumstances of the case and in law, the Hon'ble ITAT was right and justified in not dismissing the appeal of the assessee as done by the ITAT "A" Bench, Chennai in ITA.No.827/Chny/2019 dt.11.06.2019 in the case of Smt.Rekha Jain, and by ITAT "C" Bench, Chennai in ITA.No.3009/Chny/2018 in the case of Harish Kumar HUF, when the facts and circumstances of those cases are exactly similar to the present case?

3.Whether on the facts and circumstances of the case and in law, the Hon'ble ITAT was right and justified in remitting the issue back to the file of Assessing Officer and shifting the onus to the Revenue with a direction that the Assessing Officer shall bring on record the role of the assessee in promoting the company and the relationship of the assessee, if any with the promoters, role of the assessee in inflating the prices of shares etc?"

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 08.8.2019 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 file a petition before this Court to restore the appeal to be heard and decided on merits. No costs.

Sd/-
Assistant Registrar

//True Copy//

Sub Assistant Registrar

To

1. The Income Tax Appellate Tribunal,
   Madras 'A' Bench, Chennai.

2. Principal Commissioner of Income Tax,
   Non-Corporate Circle 9,
   Nungambakkam, Chennai - 600 034.

3. The Deputy Commissioner of Income Tax,
   Non-Corporate circle-9(1),
   Chennai-600034.

4. Commissioner of Income Tax (Appeals)-10,
   Chennai-34.

TCA.No.482 of 2020

pm(CO)
rv(03/02/2021)