IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 04.1.2021

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THE HONOURABLE MR.JUSTICE T.S.SIVAGNANAM
and
THE HONOURABLE MS.JUSTICE R.N.MANJULA

Tax Case Appeal No.481 of 2020

The Principal Commissioner of Income Tax, Non Corporate Ward 9(1), Chennai-34 ...Appellant/Respondent

Vs

M/s.Aarthi Mahesh Jain ...Respondent/Appellant

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 28.2.2020 passed by the Income Tax Appellate Tribunal, Madras 'A' Bench, Chennai made in I.T.A.No.1167/Chny/2019 for the assessment year 2013-14 and against the order of the Commissioner of Income Tax (Appeals)-10, Chennai-34 dated 15/03/2019 made in ITA NO.182/17-18/CI(A)-10 against the Income Tax Office, Non-corporate ward 9(1) Chennai dated 29/11/2017 made in PAN NO.AJFOPA1318P Assessment year 2013-14.

For Appellant: Mr.Karthik Ranganathan, SC
assisted by Mr.S.Rajesh, JSC

Judgment was delivered by T.S.SIVAGNANAM,J

This appeal has been filed by the assessee under Section 260A of the Income Tax Act, 1961 ('the Act' for brevity) challenging the order dated 28.2.2020 made in I.T.A.No.1167/Chny/2019 on the file of the Income Tax Appellate Tribunal, Chennai, 'A' Bench ('the Tribunal' for brevity) for the assessment year 2013-14.

2. The Revenue has filed this appeal by raising the following substantial questions of law:

> "1. Whether on the facts and circumstances of the case and in law, the Tribunal was right and justified in setting aside the order passed by the Assessing Officer to reexamine 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 Tribunal 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 dated 11.6.2019 in the case of Smt.Rekha Jain and by the 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 ? And

3. Whether on the facts and circumstances of the case and in law, the Tribunal was right and justified in remitting the issue back to the file of the 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.?”

3. We have heard Mr.Karthik Ranganathan, learned Standing Counsel appearing for the appellant/Revenue.

4. The learned 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 08.8.2019 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 raised 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.

Sd/-
Assistant Registrar

//True Copy//

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Sub Assistant Registrar

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

2. The Principal Commissioner of Income Tax (Appeals)-10
   121, Mahatma Gandhi Road, Chennai-34.

3. The Income Tax Officer, Non corporate ward-9(1)
   Room No.215, New Block No.2nd floor,
   121, uthamar Gandhi Salai, Chennai-34.

TCA.No.481 of 2020

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