IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 01.07.2025

CORAM

THE HON'BLE MR.K.R.SHRIRAM, CHIEF JUSTICE
AND
THE HON'BLE MR.JUSTICE SUNDER MOHAN

Tax Case Appeal No.111 of 2016

Commissioner of Income Tax
Chennai. .. Appellant

-vs-

M/s.The Willingdon Charitable Trust,
No.603, 6th Floor, Rani Seethai Hall,
Chennai 600 006. .. Respondent

Prayer: Appeal filed under Section 260A of the Income Tax Act, 1961, against the order dated 15.05.2015 passed in ITA No.1044/Mds/2014 on the file of Income Tax Appellate Tribunal, Madras 'C' Bench, Chennai for the Assessment Year 2009-10.

For Appellant	:	Ms.V.Pushpa Stdg. Counsel
For Respondent	:	Mr.A.S.Sriraman

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JUDGMENT

(Judgment of the Court was delivered by the Hon'ble Chief Justice)

Both counsels are *ad idem* that the amount involved is only Rs.1,84,10,624/-, which is less than Rs.2 crores threshold given in Circular No.9/2024, for filing/pursuing an appeal in High Court.

2. Ms.Pushpa submitted that the origin of the impugned order is an order passed under Section 263 of the Income Tax Act, 1961 and therefore, would fall under the exceptions given in Circular No.5/2024.

3. We agree with Mr.Sriraman that in this case, exceptions would not fall under the exemptions, though the origin is under Section 263 of the Act, because Clause 3.1(f) of the Circular No.5/2024 starts with the words "Where the tax effect is not quantifiable or not involved..." In the case at hand, the tax effect has been quantified as Rs.1,84,10,624/-.

4. Moreover, though it refers to order passed under Section 263 of the Act, it again says that the reference to cases involving sections referred

here, where it is not possible to quantify the tax effect or the tax effect is not involved, is for the purpose of illustration only. Therefore, this exception would not apply where the tax effect is quantifiable and in this case, it has already been quantified. Therefore, this would fall under the 'less than tax effect' cases.

5. Moreover, the Circulars issued under Section 268A of the Act itself provides that it is a step towards management of litigation and the Board has been revising the monetary limits for filing of appeal from time to time. Circular No.5/2024 also states that monetary limits shall be applicable to all cases, including those relating to TDS/TCS under the Act, with the exception where the tax effect is not quantifiable or not involved. Therefore, since in the present case the tax effect is quantified, in our view, it would not be covered under the exception.

Appeal is, accordingly, disposed of. No costs.

(K.R.SHRIRAM, CJ.) **(SUNDER MOHAN, J.)**

01.07.2025

Index : Yes/No

Neutral Citation : Yes/No
sra

The Hon'ble Chief Justice
and
Sunder Mohan, J.

(sra)

To

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

2. The Commissioner of Income Tax,
Chennai.

T.C.A. No.111 of 2016

01.07.2025