IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 19.8.2019

CORAM :

THE HONOURABLE MR.JUSTICE T.S.SIVAGNANAM
and
THE HONOURABLE MRS.JUSTICE V.BHAVANI SUBBAROYAN

Tax Case Appeal No.952 of 2010

Commissioner of Income Tax
-I, Tiruchirapalli ...Appellant/ Appellant

Vs

M/s.Prem Textiles International,
Karur ...Respondent/ Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 31.3.2010 made in ITA.No.206/Mds/2010 on the file of the Income Tax Appellate Tribunal, Chennai 'B' Bench for the assessment year 2005-06 against the Order passed by the Commissioner of Income Tax (Appeals), Tiruchirapalli, dated 08.01.2010 made in ITA No.123/2007-08 against the Deputy Commissioner of Income Tax, Circle II, Tiruchirapalli made in PAN/GIR No.AAAFP 42191, DATED 16.11.2017.

For Appellant : Mr.M.Swaminathan,
SSC assisted by
Ms.S.Premalatha, SC

For Respondent : Mr.N.Quadir Hoseyn

Judgment was delivered by T.S.Sivagnanam,J

We have heard Mr.M.Swaminathan, learned Senior Standing Counsel, assisted by Ms.S.Premalatha, learned Standing Counsel appearing for the appellant - Revenue and Mr.N.Quadir Hoseyn, learned counsel for the respondent - assessee.

2. This appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 is directed against the order dated 31.3.2010 made in ITA.No. 206/Mds/2010 on the file of the Income Tax Appellate Tribunal, Chennai 'B' Bench for the assessment year 2005-06.

3. The appeal was admitted on 19.10.2010 on the following substantial question of law :

"Whether, on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in holding that the transformer and the electrical installations installed for feeding the power generated by the windmill to the TNEB grid was entitled to depreciation at the rate of 80% applicable to windmills ?"

4. The learned Senior 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 question of law framed is 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 make a mention to 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,
Chennai 'B' Bench, Chennai.

2. The Commissioner of Income Tax,
(Appeals), Trichy.

3. The Deputy Commissioner of Income Tax,
Circle II, Trichy.

+1cc to Mr.M.Swaminathan, Advocate, SR.No.70423
+1cc to Mr.N.Quadir Hoseyn Advocate, SR.No.70266

TCA.No.952 of 2010

Kak(01.10.2019)