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.971 OF 2010

Commissioner of Income Tax,
Chennai ...Appellant/Appellant

Vs

M/s.Baghmar Finance Ltd.,
Chennai-79. ...Respondent/Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 23.4.2010 made in ITA.No.1368/Mds/2009 on the file of the Income Tax Appellate Tribunal, Chennai 'A' Bench for the assessment year 2006-07. as against the Commissioner of Income Tax (A) order in ITA.No.177/08-09/A-III dated 28.05.2009 as against the Order of the Assessment order of the Income Tax Officer, Company Circle 1(2), Chennai Assessment year 2006-07 dated 31.12.2008.

For Appellant : Mrs.R.Hemalatha, SSC

For Respondent : Mr.A.S.Sriraman

Judgment was delivered by T.S.Sivagnanam,J

We have heard Mrs.R.Hemalatha, learned Senior Standing Counsel appearing for the appellant – Revenue and Mr.A.S.Sriraman, 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 23.4.2010 made in ITA.No. 1368/Mds/2009 on the file of the Income Tax Appellate Tribunal, Chennai 'A' Bench for the assessment year 2006-07.

3. The appeal was admitted on 25.10.2010 on the following substantial question of law :

> "Whether, on the facts and circumstances of the case, the Tribunal was right in holding that the assessee company is a owner of the asset and is entitled to depreciation on windmill at Rs.3,22,42,546/- ?"

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(CS IV)

//True Copy//

Sub Assistant Registrar

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To
1. The Income Tax Appellate Tribunal, Chennai 'A' Bench.
2. The Commissioner of Income Tax(A)-III,Chennai.
3. The Income Tax Officer(OSD),
   Company Circle1(2), Chennai.

+1cc to Mr.T.Ravikumar, Advocate, S.R.No.70064
+1cc to Mr.S.Sridhar, Advocate, S.R.No.70082

TCA.No.971 of 2010

PPA(CO)
CS/30/10/2019