IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 22.08.2019

CORAM

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

Tax Case Appeal No.588 of 2013

The Commissioner of Income tax,
Chennai. .. Appellant/Appellant

-vs-

M/s.Beach Minerals Co. Pvt. Ltd.,
'BMC House',
32/2, Halls Road,
Egmore, Chennai. .. Respondent/Respondent

Appeal under Section 260A of the Income-tax Act, 1961, against the order dated 18.05.2012, on the file of the Income-tax Appellate Tribunal 'A' Bench, Chennai in I.T.A.No.602/Mds/2012 for the assessment year 2006-07 against the Order of the Commissioner of Income Tax (Appeals)III, Chennai -34, made in ITA No.669/2010-11/A-111,dated 17.12.2011 against the Order of the Assistant Commissioner of Income Tax, Company Circle (1) (2), Chennai -34, made in GIR/PAN AADCB450D, dated 28.12.2010 Assessment Year 2006-07.

For Appellant : Mr.T.Ravikumar,
Senior Standing Counsel &

: Ms.R.Hemalatha,
Senior Standing Counsel

For Respondent : Mr.G.Baskar

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

This appeal filed by the appellant/Revenue under Section 260A of the Income-tax Act, 1961, is directed against the order dated 18.05.2012, passed by the Income-tax Appellate Tribunal 'A' Bench, Chennai in I.T.A.No.602/Mds/2012 for the assessment year 2006-07.

2.The above appeal was admitted, on 10.02.2014, 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 expenditure in foreign exchange on shipment expenses, ship freight, insurance terminal handling charges, which are excluded from the export turnover, is to be also excluded from the total turnover for the purpose of computation of deduction u/s.10B?"

3.Heard Mr.T.Ravi Kumar and Ms.R.Hemalatha, learned Senior Standing Counsel for the appellant and Mr.G.Baskar, learned counsel for the respondent.

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 08.08.2019 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.

abr

Sd/-
Assistant Registrar(CS VI)

//True Copy//

Sub Assistant Registrar

To

1.The Assistant Commissioner of Income Tax,
Company Circle I(2), Chennai-34.

2.The Commissioner of Income Tax (Appeals)-III,
121, Mahatma Gandhi Road, Chennai-600 034.

3.The Income-tax Appellate
  Tribunal 'A' Bench, Chennai.

+1cc to M/s.Sree Lakshmivalli, Advocate, SR.No.72273
+1cc to Mr.T.Ravi Kumar, Advocate, SR.No.71818

T.C.A.No.588 of 2013

Kak(16/10/2019)