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.774 of 2013

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

-vs-

M/s.Allianz Biosciences Ltd.,
656, T.H.Road, Chennai-600 081. .. Respondent/Respondent

Appeal under Section 260A of the Income-tax Act, 1961, against the order dated 21.03.2013, on the file of the Income-tax Appellate Tribunal 'B' Bench, Chennai, in I.T.A.No.28/Mds/2013 for the assessment year 2008-09, against the order of the Commissioner of Income Tax(Appeals)-IX, Chennai-34 dated 28.09.2012 and made in ITA.No.501/10-11 for the Assessment year 2008-09.

agaisnt the order of the Assistant Commissioner of Income Tax, Company Circle I(4), Chennai dated 20.12.2010 and made in PA/G.I.R.NO.AABCH2431G for the Assessment year 2008-09.

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

: Ms.R.Hemalatha,
Senior Standing Counsel

For Respondent : No appearance

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 21.03.2013, passed by the Income-tax Appellate Tribunal 'B' Bench, Chennai, in I.T.A.No.28/Mds/2013 for the assessment year 2008-09.

2.The above appeal was admitted, on 10.02.2014, on the following substantial questions of law:-

> "(i) Whether on the facts and circumstances of the case, the Tribunal was right in holding that the assessee is entitled to deduction u/s.80IB for the AY 2008-09?
>
> (ii) Is not the finding of the Tribunal bad especially when the assessee does not even own a license to manufacture drugs in its own name and technical knowhow and quality specification are prescribed by the Principal Manufacturer Tablet India Ltd., and as such no manufacturing activity is conducted and only conversion charges are paid to the assessee?"

3.Heard Mr.T.Ravikumar and Ms.R.Hemalatha, learned Senior Standing Counsel for the appellant.

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 questions of law framed 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 make a mention to this Court to restore the appeal to be heard and decided on merits. No costs.

Sd/-
Assistant Registrar(CS VI)

//True Copy//

Sub Assistant Registrar

To

1.The Assistant Commissioner of Income Tax,
Company Circle I(4), Chennai.

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

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

4.The Commissioner of Income Tax, Chennai.

+1cc to Mr.T.Ravikumar, Advocate sr.71877

T.C.A.No.774 of 2013

sv(co)
nr 23/10/2019