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.883 of 2013

Commissioner of Income-tax,
Chennai. .. Appellant/Respondent

-vs-

M/s.Stanadyne Amalgamations Pvt. Ltd.,
96 Aranvoyal Village,
Tiruvallur-602 025. .. Respondent/Appellant

Appeal under Section 260A of the Income-tax Act, 1961, against the order dated 30.04.2013, on the file of the Income-tax Appellate Tribunal 'D' Bench, Chennai, in I.T.A.No.2152/Mds/2012 for the assessment year 2008-09, against the order dated 27/09/2012 on the file of the Deputy Commissioner of Income Tax Company Circle VI(4) Chennai made in PAN.No./GIR.No.AAFCS7717L for the assessment year 2008-09, against the order dated 09/08/2012 on the file of the Income Tax Department Dispute Resolution Panel, Chennai made in PAN.No.AAFCS7717L for the assessment year 2008-09.

For Appellant : Mr.T.R.Senthil Kumar,
Senior Standing Counsel

assisted by Ms.K.G.Usharani,
Junior Standing Counsel

For Respondent : Mr.M.P.Senthil Kumar

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 30.04.2013, passed by the Income-tax Appellate Tribunal 'D' Bench, Chennai, in I.T.A.No.2152/Mds/2012 for the assessment year 2008-09.

2.The above appeal was admitted, on 10.04.2014, on the following substantial questions of law:-

> "(i) Whether under the facts and circumstances of the case, the Income Tax Appellate Tribunal was right in holding that the deduction under Section 10B should be allowed before setting off the brought forward depreciation/loss?
>
> (ii) Whether under the facts and circumstances of the case, the Income Tax Appellate Tribunal was right in holding that the assessee is eligible for deduction under Section 10A in respect of profits from STPI units, though there is positive profit available after the set off of the loss of non-STPI units?
>
> (iii) Whether under the facts and circumstances of the case, the Income tax Appellate Tribunal was right in holding that the assessee is eligible for deduction under Section 10A in respect of its STPI units though the assessee had returned loss?"

3.Heard Mr.T.R.Senthil Kumar, learned Senior Standing Counsel assisted by Ms.K.G.Usharani, learned Junior Standing Counsel for the appellant and Mr.M.P.Senthil Kumar, 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 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

//True Copy//

Sub Assistant Registrar

To

1.The Income Tax Appellate Tribunal 'D' Bench,
Chennai.

2.The Commissioner of Income Tax,
Chennai.

3.The Deputy Commissioner of Income Tax,
Company Circle VI(4), Chennai -34.

4.Income Tax Department,
Dispute Resolution Panel Chennai,
Chennai-34.

+1cc to Mr.Subbaraya Aiyar, Advocate SR.No.72321
+1cc to Mr.T.R.Senthil Kumar, Advocate SR.No.72304

AKM/24.10.19 /3P-7C/

T.C.A.No.883 of 2013