IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 26.08.2019

CORAM

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

Tax Case Appeal No.532 of 2014

The Commissioner of Income tax,
Chennai. .. Appellant

-vs-

M/s.Ceebros Hotels P Ltd.,
No.19/1, 3rd Cross Street,
R.A.Puram, Chennai-600 028. .. Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 15.03.2013, made in I.T.A.No.2184/Mds/2012 on the file of the Income Tax Appellate Tribunal 'C' Bench, Chennai for the assessment year 2008-09.

as against the order of the Commissioner of Income Tax Appeal - III, 121, Mahatma Gandhi Road, Chennai - 34 made in ITA.N 468/10-11/A-III dated 12/09/2012 as against the order of the Assistant Commissioner of Income Tax Company Circle - 1 (3), Chennai - 34 in GIR /PAN AAACC3051E dated 28/12/2010 for the Assessment Year 2008-09.

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

For Respondent : Mr.A.S.Sriraman,
For Mr.S.Sridhar

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

This appeal filed by the Revenue under Section 260A of the Income-tax Act, 1961 is directed against the order dated 15.03.2013, made in I.T.A.No.2184/Mds/2012 on the file of the Income Tax Appellate Tribunal 'C' Bench, Chennai for the assessment year 2008-09.

2.The Revenue has filed the above appeal raising the following substantial questions of law:-

"(i) Whether on the facts and circumstances of the case, the Tribunal was right in holding that the disallowance made under the head "repairs and maintenance" are allowable?

(ii) Is not the finding of the Tribunal bad especially when the assessee itself has stated that the repairs were in respect of restaurant carried out after three years from the commencement of its operation which would prove that the benefit was for longer period and therefore the expenditure was capital in nature and not revenue?

(iii) Whether the finding of the Tribunal is perverse especially when the CIT(A) had clearly stated that after verifying the bills found that new assets have been created which are of enduring nature and therefore capital?"

3.Heard Mr.T.Ravikumar, learned Senior Standing Counsel for the appellant - and Mr.A.S.Sriraman, learned counsel for Mr.S.Sridhar, 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 (CO)

//True Copy//

Sub Assistant Registrar

abr

To

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

2.The Commissioner of Income Tax Appeals - III,
121, Mahatma Gandhi Road,
Chennai - 34.

3.The Assistant Commissioner of Income Tax Company Circle -1(3),
Chennai-34.

+1cc to Mr.T.Ravi Kumar, Advocate, S.R.No. 72371
+1cc to Mr.S.Sridhar, Advocate, S.R.No. 72498

T.C.A.No.532 of 2014

SPD(CO)
GN(13/11/2019)