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 Nos.595 and 596 of 2014

The Commissioner of Income tax,
Chennai. .. Appellant in both Appeals

-vs-

M/s.Beach Minerals Company Pvt. Ltd.,
BMC House, No.32/2, Halls Road,
Egmore, Chennai-600 008. .. Respondent in both Appeals

APPEALS under Section 260A of the Income Tax Act, 1961 against the common order dated 25.06.2013, made in I.T.A.Nos.603 & 263/Mds/2012 on the file of the Income Tax Appellate Tribunal 'B' Bench, Chennai for the assessment year 2007-08 and against the Order dated 30.12.2011 passed by the Commissioner of Income Tax (Appeals)-III, Chennai made in ITA No.539/09-10/A-III for the Assessment Year 2007-08 and as against the Order dated 31.12.2009, passed by the Asst.Commissioner of Income Tax Chennai, for the Assessment Year 2007-08 in GIR/PAN : AADCB 3450 D

For Appellant : Mr.T.Ravikumar,
(In both Appeals) Senior Standing Counsel

For Respondent : Ms.Sree Lakshmi Valli,
(In both Appeals) For M/s.Surasika Parthasarathy

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

These appeals filed by the Revenue under Section 260A of the Income-tax Act, 1961 are directed against the common order dated 25.06.2013, made in I.T.A.Nos.603 & 263/Mds/2012 on the file of the Income Tax Appellate Tribunal 'B' Bench, Chennai for the assessment year 2007-08.

2.The appeals were admitted on 08.12.2014, on the following substantial questions of law:-

"T.C.A.No.595 of 2014:-

Whether on the facts and in the circumstances of the case, the Tribunal was right in holding that the shipment expenses, ship freight, terminal handling charges and insurance charges in all amounting to Rs.3,68,53,047/- to be excluded from the export turnover and also from the total turnover while quantifying the deduction under Section 10B?

T.C.A.No.596 of 2014:-

Whether on the facts and in the circumstances of the case, the Tribunal was right in reducing the disallowance made under Section 14A of the Income Tax Act from Rs.69,17,637/- to Rs.55,00,000/- without any logical or rational basis?"

3.Heard Mr.T.Ravikumar, learned Senior Standing Counsel for the appellant - and M/s.Surasika Parthasarathy, learned counsel for the respondent.

4. The learned Senior Standing Counsel for the appellant submits that the above appeals are 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 appeals are 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 appeals to be heard and decided on merits. No costs.

abr

Sd/-
Assistant Registrar

/True Copy//

Sub Assistant Registrar

To

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

2. The Commissioner of Income Tax,
(Appeals-III), Chennai.

3. The Asst.Commissioner of Income Tax,
Chennai.

+1cc to Mr.T.Ravi Kumar, Advocate, SR.No. 72370
+1cc to M/s.Sree Lakshmivalli, Advocate, SR.No.73051

Kak(07/11/2019)