In the High Court of Judicature at Madras

Dated : 02.1.2019

Coram :

The Honourable Mr.Justice T.S.SIVAGNANAM

and

The Honourable Mr.Justice N.SATHISH KUMAR

Tax Case Appeal No.602 of 2014

The Commissioner of Income Tax, Chennai ... Appellant

Vs

M/s.Savorit Ltd., Chennai-81 ... Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 30.1.2014 in ITA No.2238/Mds/2013 on the file of the Income Tax Appellate Tribunal Madras 'C' Bench for the assessment year 2010-11 against the order of the Commissioner of Income Tax (Appeals) in Appeal No.1341/13-14 for the Assessment Year 2010-11 dated 29.11.2013 against the order of the Deputy Commissioner of Income Tax, Company Circle VI(I), Chennai - 34 dated 31.01.2013 for the Assessment Year 2010-11.

For Appellant : Mr.T.R.Senthilkumar, SSC & Ms.K.G.Usharani, JSC

For Respondent : Mr.S.Sridhar

Judgment was delivered by T.S.SIVAGNANAM,J

Heard the learned Standing Counsel for the appellant.

2. This appeal by the Revenue challenges the order passed by the Income Tax Appellate Tribunal, which decided the issue in favour of the assessee. The appeal was admitted on 02.12.2014 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 letting of godowns is assessable as income from house property and not business income ? and

ii. Whether, under the facts and circumstances of the case, the Income Tax Appellate Tribunal was right in allowing the assessee to claim deduction under Section 24 (a) in respect of income from godowns, though the assessee had claimed depreciation in respect of those godowns in the past assessments ?”

3. The Revenue seeks to withdraw this appeal on account of low tax effect in terms of Circular No.3 of 2018 dated 11.7.2018 issued by the Central Board of Direct Taxes.

4. In the light of the above, the appeal is dismissed as withdrawn and the substantial questions of law framed are left open.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 under exceptional clauses mentioned in the 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, Madras 'C' Bench.

2. The Deputy Commissioner of Income Tax,
Company Circle VI(I), Chennai 34.

3. The Commissioner of Income Tax (Appeal-VI),
Chennai 34.

+1 cc to Mr.T.R.Senthil Kumar, Advocate Sr.No.213
+1 cc to Mr.S.Sridhar, Advocate Sr.No.364

TCA.No.602 of 2014

PPA(CO)
CSL/19.02.2019