IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 29.08.2019

CORAM

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

Tax Case Appeal No.241 of 2017

Commissioner of Income Tax,
Chennai. .. Appellant

-vs-

M/s.Simpson & Co. Ltd.,
861/862, Anna Salai,
Chennai-600 002.
PAN: AAACS4909F .. Respondent

Appeal under Section 260A of the Income-tax Act, 1961, against the order dated 23.09.2016, made in I.T.A.No.1488/Mds/2015 on the file of the Income Tax Appellate Tribunal 'C' Bench, Chennai for the assessment year 2011-12, preferred against the order of the Commissioner of Income Tax (Appeals)-17, Chennai 34 dated 20/01/2015 made in ITA.NO.25/2013-14/LTU(A) against the order passed by the Deputy Commissioner of Income Tax, Large Tax payer Unit, Chennai dated 11.12.2013 for the Assessment year 2011-12.

For Appellant : Mr.T.Ravikumar
Senior Standing Counsel &
Ms.R.Hemalatha
Senior Standing Counsel

For Respondent : Mr.R.Venkatanarayana,
For M/s.Subbaraya Aiyar,
Padmanabhan & Ramamani

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 23.09.2016, made in I.T.A.No.1488/Mds/2015 on the file of the

Income Tax Appellate Tribunal 'C' Bench, Chennai for the assessment year 2011-12.

2.The appeal has been admitted on 06.06.2017, on the following substantial question of law:-

> "Whether the benefit of additional depreciation in respect of new plant and machinery could only be claimed in respect of the year in which the plant and machinery was acquired or whether the same could be carried over to any subsequent financial year, prior to the enhancement of the Finance Act, 2016 with effect from 10.04.2016?"

3.Heard Mr.T.Ravikumar and Ms.R.Hemalatha, learned Senior Standing Counsel for the appellant - and Mr.R.Venkatanarayana, learned counsel, for M/s.Subbaraya Aiyar, Padmanabhan & Ramamani, 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 question of law framed is 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 VIII)

//True Copy//

Sub Assistant Registrar

abr

To

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

2.The Deputy Commissioner of Income Tax,
Large Tax payer Unit,
Chennai.

3.The Commissioner of Income Tax(Appeals)-17,
Chennai.

4.The Commissioner of Income Tax, Chennai.

+1cc to Mr.T.Ravikumar, Advocate sr.74353
+1cc to M/s.Subbaraya Aiyar, Advocate sr.75143

T.C.A.No.241 of 2017

pm(co)
nr 11/11/2019