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.663 of 2017

Commissioner of Income Tax,
Corporate Circle – (1), Madurai.
.. Appellant/Appellant

-vs-

M/s.Kasim Textiles Mills Private Limited,
214, East Veli Street,
Madurai-625 001.
PAN: AAACK8107D
.. Respondent

Appeal under Section 260A of the Income-tax Act, 1961, against the order dated 30.03.2017, made in I.T.A.No.2125/Mds/2016 on the file of the Income Tax Appellate Tribunal 'B' Bench, Chennai for the assessment year 2012-13, preferred agianst the order of the Commissioner of Income Tax (Appeals)-1, Madurai dated 21.04.16 made in ITA.NO.0037/2015-16 Assessment year 2012-13 filed against the order of the Income Tax Officer, Corporate Ward-4, Madurai dated 23.03.15 for the Assessment year 2012-13 made in PAN.NO.AAACK8107(D).

For Appellant : Mr.M.Swaminathan,
Senior Standing Counsel
: assisted by Ms.V.Pushpa
Standing Counsel

For Respondent : Mr.G.Baskar

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 30.03.2017, made in I.T.A.No.2125/Mds/2016 on the file of the

Income Tax Appellate Tribunal 'B' Bench, Chennai for the assessment year 2012-13.

2.The appeal was admitted on 13.12.2017, on the following substantial questions of law:-

> "(i) Whether the Tribunal was right in holding that 80% of depreciation on land cost, rent charges, civil works, electrical fittings and transformers are applicable to windmill? and
>
> (ii) Whether the findings of the Tribunal are perverse and erred in not appreciating the fact that the Assessing Officer has allowed depreciation on civil works, electrical fittings, etc., at the rate prescribed in Appendix 1 to the Income Tax Rules only?"

3.Heard Mr.M.Swaminathan, learned Senior Standing Counsel assisted by Ms.V.Pushpa, learned Standing Counsel for the appellant - and Mr.G.Baskar, 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 Assistant Registrar,
Income Tax Appellate Tribunal 'B' Bench, Chennai.

2.The Commissioner of Income Tax (Appeals)-I,
Madurai.

3.The Income Tax Officer,
Corporate Ward 4,
Madurai.

+1cc to M/s.G.Baskar, Advocate sr.75080
+1cc to M/s.M.Swaminathan, Advocate sr.75048

rsi(co)
nr 13/11/2019