IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 12.02.2020

CORAM

THE HON'BLE DR.JUSTICE VINEET KOTHARI
AND
THE HON'BLE MR.JUSTICE R.SURESH KUMAR

Tax Case Nos.132 & 133 of 2013

COMMISSIONER OF INCOME TAX
COIMBATORE ... PETITIONER in both T.C.As

VS.

M/S.THE VENGAMEDU WCS LTD.,
CHENNIMALAI 638 051. ... RESPONDENT IN T.C.A. 132/2013

M/S THE PERIYAR PRIMARY CUM
INDUSTRIES WCS LTD ... RESPONDENT IN T.C.A. 133/2013.

Tax Case Appeals filed under Section 260A of the Income Tax Act, 1961 against the common order of the Income Tax Appellate Tribunal 'D' Bench, Chennai dated 11.06.2012 in ITA Nos.2005 & 2008/Mds/2011 respectively.

TC(A)132/2013: Tax Appeal against order of the Income Tax Appellate Tribunal Madras 'D' Bench dated 11.06.2012 in I.T.A. No. 2005/MDS/2011 Assessment year 2005-2006 against the Income Tax Appellate Tribunal 'D' Bench Chennai against the officer of the Commissioner of Income Tax Appeals i, Coimbatore Appeal No. 262/2010-2011 dated 08.09.2011 PAN No. AAAA1421D Assessment year 2005-2006.

TC(A)133/2013: Tax Appeal against the order of the Income Tax Appellate Tribunal Madras 'D' Bench dated 11.06.2012 in I.T.A. No. 2008/MDS/2011 against the Commissioner of Income Tax (Appeals)I, Coimbatore order dated 08.09.2011 appeal No. 259/2010-2011 in Assessment year 2008-2009 in PAN No. AAA3022A.

For Appellant :Mr.T.R.Senthil Kumar,
Sr.Standing Counsel
for Ms.K.G.Usha Rani

For Respondent: Mr.G.Baskar

J U D G M E N T

(Judgment of the Court was delivered by DR.VINEET KOTHARI,J)

These Tax Case Appeals have been filed by the Revenue calling in question the correctness of the order passed by the Income Tax Appellate Tribunal, 'D' Bench, Madras, by raising the following substantial question of law:

"1.Whether under the facts and in the circumstances of the case, the Hon'ble Income Tax Appellate Tribunal was right in in holding that the Assessee society is eligible of availing the benefits of deduction under Section 80P(2)(a)(ii) of the Income Tax Act?

2. Whether under the facts and in the circumstances of the case, the Hon'ble Income Tax Appellate Tribunal was right in law in holding that the assessee society is a cottage industry and therefore is eligible for deduction under Section 80(P)(2)(a)(ii)?

3. Whether under the facts and in the circumstances of the case, the Hon'ble Income Tax Appellate Tribunal was right in holding that the assessee society has satisfied all the criteria laid down in Board Circular No.722 dated 19.9.1995 for availing benefits under Section 80(P)(2)(a)(ii)?"

2. When the matter was taken up for hearing, the learned Standing Counsel brought to our notice the Circular instruction issued by the Central Board of Direct Taxes vide Circular No.17/2019 dated 8th August 2019, wherein, it is stipulated that appeals shall not be filed/pursued by the Department before the High Court in cases where the tax effect does not exceed Rs.1,00,00,000/- (Rupees One Crore).

3. In the instant case, the tax effect is said to be less than the monetary limit imposed and therefore, the appeals filed by the Revenue are dismissed as not pressed, keeping open the substantial questions of law for determination in an appropriate case.

-s/d-
Assistant Registrar(CCC)

True Copy

Sub-Assistant Registrar

To

1. Income Tax Appellate Tribunal 'D' Bench,Chennai.

2. The Commissioner of Income Tax (Appeals)I
Coimbatore

+1 Cc to Mr.G.Baskar, Advocate sr 11231.
+1 CC to Mr.T.R.Senthil Kumar, Advocate sr 11666.

T.C.(A) Nos.132 & 133 of 2013

VSNII(CO)
SP(13/03/2020)