In the High Court of Judicature at Madras

Dated : 15.6.2020

Coram :

The Honourable Mr.Justice T.S.SIVAGNANAM

and

The Honourable Mrs.Justice PUSHPA SATHYANARAYANA

Tax Case Appeal Nos.775 to 777 of 2013

The Commissioner of Income Tax,
Central Circle, Chennai ...Appellant

Vs

C.Nedumudikilli ...Respondent

Prayer: APPEALS under Section 260A of the Income Tax Act, 1961 against the common order dated 16.6.2011 made respectively in ITA.Nos.958 to 960/ Mds/2010 on the file of the Income Tax Appellate Tribunal, Chennai 'C' Bench for the assessment years from 2001-02 to 2003-04 preferred against the Commisssioner of Income Tax (Appeals)-I, Chennai, dated 26.02.2010, made in ITA.Nos.174 to 176/08-09, against the order of the Deputy Commissioner of Income Tax, Central Circle-IV(1), Chennai, dated 29.12.2008, made in PAN/GIR.No.ADPPN4869C, for the assessment years 2001-2002, 2002-2003 and 2003-2004.

For Appellant : Mr.T.R.Senthilkumar, SSC
assisted by Ms.K.G.Usharani, SC

For Respondent: Mr.R.Kumar

COMMON JUDGMENT

(Judgment was delivered by T.S.Sivagnanam,J)

We have heard Mr.T.R.Senthilkumar, learned Senior Standing Counsel assisted by Ms.K.G.Usharani, learned Standing Counsel appearing for the appellant - Revenue and Mr.R.Kumar, learned counsel appearing for the respondent - assessee.

2. These appeals, filed by the Revenue under Section 260A of the Income Tax Act, 1961 (for brevity, the Act), are directed against the common order dated 16.6.2011 made respectively in ITA.Nos.958 to 960/ Mds/2010 on the file of the Income Tax Appellate Tribunal, Chennai 'C' Bench (for short, the Tribunal) for the assessment years from 2001-02 to 2003-04.

3. The appeals were admitted on 10.3.2014 on the following substantial questions of law :

> "1. Whether, on the facts and circumstances of the case, the Income Tax Appellate Tribunal was correct in allowing credit for the tax paid under Section 90 of the Income Tax Act before calculating interest under Section 234B despite the fact that there was no provision for the same during the relevant period ?
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> 2. Whether, on the facts and circumstances of the case, the Income Tax Appellate Tribunal was correct in allowing credit for the tax paid under Section 90 of the Income Tax Act before computing interest under Section 234B applying the ratio in the case of CIT Vs. Chemplast Sunmar Ltd. [reported in 314 ITR 231] despite the fact that the issue discussed with regard to credit under Section 115JAA of the Income Tax Act ? and
>
> 3. Whether, on the facts and circumstances of the case, the Income Tax Appellate Tribunal was correct in allowing credit for the tax paid under Section 90 of the Income Tax Act before computing interest under Section 234B despite the fact that the amendment to Section 234B by the Finance Act, 2006 has been made applicable only after 01.4.2007?"

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 08.8.2019 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 the respective cases 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 in the respective cases 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.

Sd/-

Assistant Registrar

//True Copy//

Sub Assistant Registrar

To

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

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

3.The Deputy Commissioner of Income Tax,
Central Circle-IV(1), Chennai.

TCA.Nos.775 to 777 of 2013

SSV (CO)
RV (04/09/2020)