

In the High Court of Judicature at Madras

Dated : 18.06.2020

Coram :

The Honourable Mr.Justice T.S.SIVAGNANAM

and

The Honourable Mrs.Justice PUSHPA SATHYANARAYANA

Tax Case Appeal No.469 of 2014

Commissioner of Income Tax,
Central Circle, Coimbatore.Appellant

-vs-

Shri G.Mohan,
35, Thirumalai Nagar,
South 1st Street,
P.N.Road, Tirupur-641 602.
PAN: AJCPM3554GRespondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 19.11.2013 made in I.T.A.No.516/Mds/2013 on the file of the Income Tax Appellate Tribunal 'B' Bench, Chennai for the assessment year 2003-04 against the order of the Commissioner of Income Tax (Appeals) II Coimbatore, dated 30/01/2013 I.T.Appeal No.10/10-11 for the assessment year 2003-04 and against the order of the Assistant Commissioner of Income Tax, Central Circle-I, Coimbatore, dated 31/12/2019 PAN/GIR No.AJCPM3554G for the Assessment year, 2003-2004.

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

For Respondent: Mr.N.Devanathan &
Mr.Suganthiraj

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

We have heard Mr.T.R.Senthil Kumar, learned Senior Standing Counsel and Ms.K.G.Usha Rani, learned Standing Counsel for the appellant-Revenue and Mr.N.Devanathan, learned counsel and Mr.Suganthiraj, learned counsel for the respondent-assessee.

2. This appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 is directed against the order dated 19.11.2013 made in I.T.A.No.516/Mds/2013 on the file of the Income Tax Appellate Tribunal 'B' Bench, Chennai for the assessment year 2003-04.

3. The appeal was admitted on 16.09.2014 on the following substantial questions of law:

"1. Whether on the facts and circumstances of the case, the Income Tax Appellate Tribunal was right in allowing depreciation when the income determined on the basis of net accretion in wealth between the first year and the last year?

2. Whether on the facts and circumstances of the case, the Tribunal was justified in allowing the claim of depreciation when the assessee has failed to produce any details regarding the assets and their usage for the years 2002-03 to 2007-08?

3. Whether on the facts and circumstances of the case, the Tribunal was right in allowing depreciation when the assessee's income is taxed on a rough and ready method on approximate basis, is there any justification for granting statutory allowance?"

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 08.8.2019 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 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(CS-IV)

//True copy//

Sub Assistant Registrar

abr

To

- 1.The Income Tax Appellate Tribunal B Bench, Chennai.
2. The Commissioner of Income Tax (Appeals) II, Coimbatore.
3. The Assistant Commissioner of Income Tax,
Central Circle-I, Coimbatore.
4. The Commissioner of Income Tax,
Central Circle, Coimbatore.

TCA.No.469 of 2014

AD(CO)
GMY(23/09/2020)



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