IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 14.12.2021

CORAM :

THE HON'BLE MR. JUSTICE R. MAHADEVAN
AND
THE HON'BLE MR. JUSTICE MOHAMMED SHAFFIQ

T.C.A.No.652 of 2009

The Commissioner of Income tax
Chennai

... Appellant

Versus

M/s. Ramsahaimal Sanhuwala & Sons,
Charitable Trust No.24,
Cathedral Garden Road,
Nungambakkam,
Chennai - 600 034.

... Respondent

Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, "B" Bench Chennai, dated 01.02.2008 in I.TA.No.1383/Mds/2007 against the order of the Commissioner of Income Tax (Appeals)-XI, Chennai, dated 09/01/2007 made in ITA 19/2006-2007 against the Assistant Director of Income Tax (Exemption)-IV i/c Chennai-34 dated 27/03/2006 made in PAN / GIR No.4635-R Assessment year 1998-99.

For Appellant : Mr.J.Narayanaswamy

For Respondent : Mr.N.Muthukumar

J U D G M E N T

(Judgment was delivered by R.MAHADEVAN, J.)

This tax case appeal has been filed by the appellant / Revenue, challenging the order dated 01.02.2008 passed by the Income Tax Appellate Tribunal, Chennai 'B' Bench, in I.T.A.No.1383/Mds/2007, relating to the assessment year 1998-99.

2.By order dated 18.08.2009, this court admitted the aforesaid tax case appeal on the following substantial question of law:

" Whether on the facts and circumstances of the case the Tribunal was right in law in holding that the income earned from running of Kalyana Mandapam is not a business income and that assessee was eligible for exemption under Section 11 of the Income Tax Act, 1961?"

3.When the matter was taken up for consideration, the learned counsel for the appellant / Revenue brought to the notice of this court the Circular No.17/2019 dated 08.08.2019 issued by the Central Board Direct Taxes, wherein, it is stipulated that appeal 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). It is also submitted that the tax effect in this appeal is less than the threshold limit.

4.In the light of the aforesaid submissions made by the learned counsel for the appellant / Revenue, the present appeal, wherein, the tax effect is said to be less than the monetary limit imposed, is dismissed as withdrawn, keeping open the substantial question of law for determination in an appropriate case. No costs.

Sd/-
Assistant Registrar (CCC)

//True Copy//

Sub Assistant Registrar

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To

1.The Income Tax Appellate Tribunal,
"B" Bench Chennai,

2.The Commissioner of Income tax, (Appeals) XI,
Chennai-34.

3.The Assistant Director of Income Tax,
(Exemption)-IV, (i/c) Chennai-34.

+1cc to Mr.G.Baskar, Advocate SR. No.66733

T.C.A.No.652 of 2009

VGII (CO)
PR (04/01/2022)