IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATE: 19.01.2021

CORAM:

THE HON'BLE MR. JUSTICE M.DURAISWAMY
AND
THE HON'BLE MRS.JUSTICE T.V.THAMILSELVI

T.C.A.Nos.1024 to 1028 of 2010 and
M.P. No. 1 of 2010 (5 MPs)

Commissioner of Income Tax,
Chennai. ... Appellant in all TCAs

vs.

P.Damodaran,
26/27, Errabalu Chetty Street,
Chennai - 600 001. ... Respondent in all TCAs

T.C.A. No.1024/2010 : Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, "D" Bench, dated 13.02.2009 in ITA.No.825/Mds/08 for the Assessment Year 1998-99.

against the order of the Commissioner of Income Tax Appeals-V in I.T.A. No. 211 to 215/MDS/2006-2007 dated 28.12.2007 for the Assessment year 1998-99, 1999-2000, 2000-2001, 2002-2003 and 2003-2004 in PAN/GIR No. ADSPD3681R respectively

against the Assessment order of the Income Tax Officer, Company Ward VI(1) Chennai dated 21.03.2006, 21.03.2006, 21.03.2006, 20.03.2006, 20.03.2006 respectively for the Assessment years 1998-99, 1999-2000, 2000-2001, 2002-2003 and 2003-2004 in PAN/GIR No. ADSPD3681R.

T.C.A. No.1025/2010 : Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, "D" Bench, dated 13.02.2009 in ITA.No.826/Mds/08 for the Assessment Year 1999-2000.

T.C.A. No.1026/2010 : Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, "D" Bench, dated 13.02.2009 in ITA.No.827/Mds/08 for the Assessment Year 2000-2001.

T.C.A. No.1027/2010 : Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, "D" Bench, dated 13.02.2009 in ITA.No.828/Mds/08 for the Assessment Year 2002-2003.

T.C.A. No.1028/2010 : Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, "D" Bench, dated 13.02.2009 in ITA.No.829/Mds/08 for the Assessment Year 2003-2004.

For Appellant : Ms.S.Premalatha, Junior Standing Counsel for Mr.M.Swaminathan, Senior Standing Counsel

For Respondent : Mr.M.P.Senthil Kumar for Mr.G.Baskar

COMMON JUDGMENT

(Judgment was delivered by M.DURAISWAMY, J.)

We have heard Ms.S.Premalatha, learned Standing Counsel for the appellant/Revenue and Mr.M.P.Senthil Kumar, learned counsel for the respondent.

2. These appeals, filed by the Revenue under Section 260A of the Income Tax Act, 1961 (for short, the Act) are directed against the order dated 13.02.2009 made respectively in ITA.Nos.825/Mds/08, 826/Mds/08, 827/Mds/08, 828/Mds/08 & 829/Mds/08 on the file of the Income Tax Appellate Tribunal, Chennai, ''C'' Bench (for brevity, the Tribunal) for the Assessment Years 1998-99, 1999-2000, 2000-2001, 2002-2003 and 2003-2004.

3. The appeals were admitted on 07.02.2011 on the following substantial question of law:

> "Whether on the facts and in the circumstances of the case, the Tribunal was right in allowing the 801B deduction on 100% profits returned, as against the 45% of the profits relatable to production of Heat Shrinkable Sleeve - HSS produced by the assessee, which was one of the 17 item in the CJK?"

4. The learned 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 08.08.2019 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 all the cases are 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 question of law framed is left open. In the event

the tax effect in all these cases are 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. Consequently, the connected Miscellaneous Petitions are closed.

-s/d-
Assistant Registrar(CS-IX)

True Copy

Sub-Assistant Registrar

Rj
To
1.The Registrar
Income Tax Appellate Tribunal, Chennai, ''D'' Bench

2.The Commissioner of Income Tax (Appeals) V
No. 121 Mahathma Gandhi Road, Chennai 34.

3.The Income Tax Officer Company Ward VI(1)
Chennai

+1 Cc to Mr.G.Baskar, Advocate sr 2385.
+1 CC to Mr.M.Swaminathan, Advocate sr 2443.

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PPA(CO)
SP(10/02/2021)