IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATE: 22.02.2021

CORAM:

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

T.C.A.Nos.1293 to 1298 of 2010

The Commissioner of Income Tax - III,
Chennai. ... Appellant in all 6 TCAs

Vs.

M/s.Nippo Batteries Company Ltd.,
Pottipatti Plaza, 4th Floor,
77, Nungambakkam High Road,
Chennai - 600 034. ... Respondent in all 6 TCAs

Appeals preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, "B" Bench, dated 30.03.2010 in I.TA.Nos.593 to 595, 1453, 1454 & 1457/Mds/2009 Assessment Year 2000-01, 2001-02, 2002-03, 2000-01, 2002-03 & 2001-02 and against the order of the Commissioner of Income Tax (Appeals)-V, Chennai, dated 16.01.2009 and made in ITA No.253, 252 and 243/07-08, and against the order under section 43(3) read with section (4) of the Income Tax 1961, dated 14/12/2007 on the file of the Assistant Commissioner of Income Tax Company circle IV(4), Chennai.

For Appellant (in all 6 TCAs) : Mr.Karthick Ranganathan, Senior Standing Counsel

For Respondent (in all 6 TCAs) : Mr.R.Venkatanarayanan

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

We have heard Mr.Karthick Ranganathan, learned Senior Standing Counsel for the appellant/Revenue and Mr.R.Venkatanarayanan, learned counsel for the respondent/assessee.

2.The appeals, filed by the Revenue under Section 260A of the Income Tax Act, 1961 (for short, the Act) are directed against the order dated 30.03.2010 made in I.TA.Nos.593 to 595, 1453, 1454 & 1457/Mds/2009 on the file of the Income Tax Appellate Tribunal, Chennai, "B" Bench (for brevity, the Tribunal) for the Assessment Year 2000-01, 2001-02, 2002-03, 2000-01, 2002-03 & 2001-02.

3.The appeals were admitted on 24.01.2011 on the following substantial question of law:

> "Whether on the facts and circumstances of the case, the Income Tax Appellate Tribunal was right in holding that the entire royalty payments made by the assessee Company including the portion relatable to the sales turnover to their foreign collaborator were to be treated as revenue expenditure?"

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 08.08.2019 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 these cases are less than the threshold limit.

5.In the light of the said submissions, the above Tax Case Appeals are dismissed as withdrawn on account of the Low Tax Effect. The substantial question of law framed is left open. In the event the tax effect in this case 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(CS V)

//True Copy//

Sub Assistant Registrar

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To

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

2.The Commissioner of Income Tax-III, Cehnnai.

3.The Commissioner of Income Tax Appeals-V,
Company Circle, Cehnnai-34.

4.The Assistant commissioner of Income Tax,
Company circle IV(4), Chennai.

5.The Additional Commissioner of Income Tax,
Company Range-IV, Chennai.

+1cc to M/s.Subbraya Aiyar, Advocate, SR.No.0833.

T.C.A.Nos.1293 to 1298 of 2010

GP(CO)
CSR 23.03.2021