IN THE HIGH COURT OF JUDICATURE AT MADRAS
DATE: 18.02.2021
CORAM:
THE HON'BLE MR. JUSTICE M.DURAISWAMY
AND
THE HON'BLE MRS.JUSTICE T.V.THAMILSELVI
T.C.A.No.235 of 2010

Commissioner of Income Tax-1,
Chennai ... Appellant

v.

M/s. Arvind Remedies Ltd.,
New No.190, P.H. Road,
Chennai - 600 084. ... Respondent

Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, "C" Bench, dated 18.09.2009 in ITA.No.2268/Mds/2008 for the Assessment Year 2004-05.

against the appellate order of the Commissioner of Income Tax (Appeals)-VIII, Chennai-600 034, dated 17.09.2008 and made in ITA.No.75/07-08 and against the Assessment order of the Assistant Commissioner of Income Tax, Company Circle(1), Chennai, dated 09.11.2006 and made in PAN/GIR.No.AX4-003/AACCA 74072 for the Assessment year 2004-2005.

For Appellant : Mr. T.Ravikumar,
Senior Standing Counsel

For Respondent : Mr. Venkatnarayanan
for M/s. S. Sridhar

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

We have heard Mr. T.Ravikumar,, learned Senior Standing Counsel for the appellant/Revenue and Mr. Venkatnarayanan for the respondent/Assessee.

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2.The appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 (for short, the Act) is directed against the order dated 18.09.2009 made in ITA.No.2268/Mds/2008 on the file of the Income Tax Appellate Tribunal, Chennai, ''C'' Bench (for brevity, the Tribunal) for the Assessment Year 2004-05.

3.The appeal was admitted on 09.03.2010 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 assessee was

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entitled to higher rate of 15% depreciation on the building which was used by the assessee only for storing apparatus, equipments and tools on the ground that the building constituted a plant?"

4.The learned Senior Standing Counsel appearing 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 08.08.2019 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 this case is less than the threshold limit.

5.In the light of the said submissions, the above Tax Case Appeal is 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 appeal to be heard and decided on merits. No costs.

Sd/-
Assistant Registrar(CS IV)

//True Copy//

Sub Assistant Registrar

Rj

To

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

2.The Commissioner of Income Tax-I,
Chennai.

3.The Commissioner of Income Tax(Appeals)-VIII,
Chennai-600 034.

4.The Assistant Commissioner of Income Tax,
Company Circle I(1), Chennai.

+1cc to Mr.T.Ravikumar, Advocate, SR.No.9627.

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