

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATE: 22.02.2021

CORAM:

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

T.C.A.No.588 of 2010

Commissioner of Income Tax,
Chennai. ... Appellant
Vs.

SAS Hotels & Enterprises Ltd.,
No.3, Mangesh Street,
T.Nagar, Chennai - 17. ... 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 11.04.2008 in I.TA.No.744/Mds/2006 Assessment Year 2001-02 against the order of the commissioner of Income Tax (Appeals)-V,121,Mahatma Gandhi Road,Chennai 34 dated 27.12.2005 in ITA.NO.246/2003-04 for the Assessment Year 2001-2002 and against the Additional Commissioner of Income Tax Company Range,Chennai 34 dated 30.01.2004 for the Assessment Year 2001-2002.

For Appellant : Mr.J.Narayanasamy,
Senior Standing Counsel
For Respondent : Ms.Sriniranjani Srinivasan

JUDGMENT

(Judgment was delivered by M.DURAI SWAMY, J.)

We have heard Mr.J.Narayanasamy, learned Senior Standing Counsel for the appellant/Revenue and Ms.Sriniranjani Srinivasan, learned counsel for the respondent/assessee.

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 11.04.2008 made in I.TA.No.744/Mds/2006 on the file of the Income Tax Appellate Tribunal, Chennai, "C" Bench (for brevity, the Tribunal) for the Assessment Year 2001-02.

3.The appeal was admitted on 20.07.2010 on the following substantial question of law:

"Whether in the facts and circumstances of the case, the Tribunal was right in holding that while computing the deduction under

Section 80HHD the turnover of wind mill division/civil contract receipts were to be excluded from the total receipts of the business carried on by the assessee?"

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 08.08.2019 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5.In the light of the said submissions, the above Tax Case Appeal is dismissed as withdrawn on account of the Low Tax Effect.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)

//True Copy//

Sub Assistant Registrar

va

To

The Income Tax Appellate Tribunal, Chennai, C Bench.

2.The Commissioner of Income Tax,Chennai.

3.The Additional commissioner of Income tax,
Company Range,chennai.

4.The Commissioner of Income Tax Appeals V,Chennai.

A.SK(31.03.2021)

T.C.A.No.588 of 2010