IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 16.08.2021

CORAM :

THE HON'BLE MR. JUSTICE T.S. SIVAGNANAM
AND
THE HON'BLE MR. JUSTICE SATHI KUMAR SUKUMARA KURUP

T.C.A.No.262 of 2015

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

Vs.

M/s.Cairn Energy India P Ltd.,
Wellington Plaza, 2nd Floor, 90,
Anna Salai, Chennai – 600 002. ... 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 01.10.2013 in I.T.A.No.39/Mds/2013, Assessment Year 1998-99 against the order of the Commissioner of Income Tax (Appeals)-IV, Chennai, dated 03.08.2012 relevant to the Assessment Year(AY) 1998-99, against the order giving effect to the order of ITAT dated 08.12.2009, passed by the Assistant Director of Income Tax (International Taxation) Chennai for AY-1998-99 is PAN No:AAACC3097L/10.C

For Appellant : Mr.Karthik Ranganathan
Senior Standing Counsel

For Respondent : Mr.M.V.Swaroop

J U D G M E N T
(Judgment was delivered by T.S. SIVAGNANAM, J.)

We have heard Mr.Karthik Ranganathan, learned Senior Standing Counsel for the appellant/Revenue and Mr.M.V.Swaroop, learned counsel for the respondent/assessee.

2.The appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 ("the Act" for brevity) is directed against the order dated 01.10.2013 made in I.T.A.No.39/Mds/2013 on the file of the Income Tax Appellate Tribunal, Chennai, "C"

Bench ("the Tribunal" for brevity) for the Assessment Year 1998-99.

3.The appeal was admitted on 22.06.2015 on the following substantial question of law:

> "Is not the finding of the Tribunal bad especially when clause (c) of Explanation to Section 115JA applies in the case of Site Restoration fund/expenses while determining the book profit?"

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 this case is less than the threshold limit.

5.In the light of the said submissions, the above Tax Case Appeal is dismissed 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-VII)

//True Copy//

Sub Assistant Registrar

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To

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

2. The Commissioner of Income Tax,
   Chennai.

3. The Assistant Director of Income Tax,
   (International Taxation),Chennai – 600 034.

T.C.A.No.262 of 2015

RGN(CO)
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