IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 06.08.2021

CORAM

The Honourable Mr.Justice T.S.SIVAGNANAM
and
The Honourable Mr.Justice SATHI KUMAR SUKUMARA KURUP

T.C.(A).Nos.134 & 135 of 2013

Commissioner of Income-tax,
Chennai. ...Appellant in both Appeals

-vs-

M/s.Sical Logistics Limited,
73 – Armenian Street,
Chennai-600 001. ...Respondent in both Appeals

Appeals under Section 260A of the Income Tax Act, 1961 against the order dated 08.05.2012 made in I.T.A.Nos.390 & 391 (Mds)/2012 on the file of the Income Tax Appellate Tribunal 'A' Bench, Chennai for the assessment years 2004-05 and 2006-07 respectively. And against the O/o Commissioner & Income-Tax (Appeals)-VI, 121, Mahatma Gandhi Road, Chennai-600 034, and made in 350/10-11 & ITA.No.391/10-11 dated 30.11.2011 and against te O/o (i) Deputy Commissioner & Income-Tax Company Range V(i), Chennai, made in AAACS3789B/51004S/2004-05 dated 06/01/2010. (ii) Assistant Commissioner of Income-Tax, Company Circle-V(i), Chennai-34 made in AAACS3789B dated 30/11/2011 & 30/12/2008 of the Assessment year 2006-07.

For Appellant (In both Appeals) : Mr.J.Narayanaswamy, Senior Standing Counsel

For Respondent (In both Appeals) : No appearance

COMMON JUDGMENT

(Delivered by T.S.Sivagnanam, J.)

These appeals, by the appellant/Revenue, filed under Section 260A of the Income Tax Act, 1961, are directed against the order dated 08.05.2012, made in I.T.A.Nos.390 & 391(Mds)/2012 on the file of the Income Tax Appellate Tribunal 'A' Bench, Chennai for the assessment years 2004-05 and 2006-07 respectively.

2.T.C.(A).No.134 of 2013 was admitted on 10.04.2013, on the following substantial question of law:-

> "Whether under the facts and circumstances of the case, the Income Tax Appellate Tribunal was correct in upholding the order of the Commissioner of Income Tax (Appeals) for applying the value of the land as per the valuation report submitted by the assessee and not the value as per the records of the Sub Registrar, for the purpose of arriving at the fair market value of the property as on 1st April, 1981?"

3.T.C.(A).No.135 of 2013 was admitted on 10.04.2013 on the following substantial questions of law:-

> 1.Whether under the facts and circumstances of the case, the Income Tax Appellate Tribunal was correct in upholding the order of the Commissioner of Income Tax (Appeals) who confirmed the addition made by the assessing officer under Section 14A, only to the extent of 2% of dividend earned by the assessee? And
>
> 2.Whether the Income Tax Appellate Tribunal was correct in stating that the method of calculation of the disallowance set forth in Rule 8D would be applicable only for assessment year 2008-09 and subsequent assessment years?"

4.Heard Mr.J.Narayanaswamy, learned Senior Standing Counsel for the appellant/Revenue.

5.Though notice has been served on the respondent/assessee and their name is printed, none appears for them.

6.The learned Senior Standing Counsel for the appellant/Revenue 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 is less than the threshold limit.

7.In the light of the said submissions, the above tax case appeals are dismissed on account of the low tax effect. The substantial questions of law framed are left open. In the event, the tax effect 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

//True Copy//

Sub Assistant Registrar

abr

To

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

2. The Commissioner of Income-Tax,
(Appeals-VI) 121, Mahatma Gandhi Road,
Chennai-600 034.

3. The Deputy Commissioner of Income-Tax,
Company Range- V(i),
Chennai – 34.

4. The Assistant Commissioner of Income-Tax,
Company Circle-V(i),
Chennai -34.

T.C.(A).Nos.134 & 135 of 2013

RR(CO)
LS(01/09/2021)