IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 30.06.2021

CORAM

THE HON'BLE MR. JUSTICE M.DURAISWAMY
AND
THE HON'BLE MRS.JUSTICE R. HEMALATHA

T.C.A.No.515 of 2015

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

Vs.

M/s.Covanta (Madurai) Operating P Ltd.
101, 4th Main Road, Gandhi Nagar, Adyar,
Chennai – 600 020. ... Respondent

Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, “B” Bench, dated 25.02.2015 in I.TA.No.714/Mds/2014, Assessment Year 2003-04. This appeal filed against The Commissioner of Income Tax(A)(C)-II, Chennai in ITA.No.394/13-14, dated 29/10/2013 PAN.No:AAACO5538L in Assessment year 2003-2004 against the Assessment year 2003-2004 against the Assistant Commissioner of Income Tax Company Circle-I(3), Chennai PAN.No:AAACO5538L in Assessment year 2003-2004.

For Appellant : Mr.T.Ravi Kumar
Senior Standing Counsel

For Respondent : Mr.M.Kaushik
for Mr.S.Sridhar

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

We have heard Mr.T.Ravi Kumar, learned Senior Standing Counsel for the appellant/Revenue and Mr.M.Kaushik for Mr.S.Sridhar, 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 25.02.2015 made in I.TA.No.714/Mds/2014 on the file of the Income Tax Appellate Tribunal, Chennai, “B” Bench (for brevity, the Tribunal) for the Assessment Year 2003-04.

3.The appeal was admitted on 28.07.2015 on the following substantial questions of law:

> "1.Whether on the facts and in the circumstances of the case, the Appellate Tribunal was right in deleting the penalty levied under Section 271(1)(c) of the Income Tax Act?
>
> 2.Is not the finding of the Tribunal bad by deleting the penalty especially when the assessee had deliberately claimed deduction under Section 80IA for which he was not entitled to and had thus furnished inaccurate particulars of income which amounts to concealment?"

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 as withdrawn on account of the Low Tax Effect. The substantial questions of law framed are 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, "B" Bench

2.The Commissioner of Income Tax,
Chennai.

3.The Commissioner of Income Tax,(A)(C)II,
Chennai.

4.The Assistant Commissioner of Income Tax,
Company Circle 1(3)
Chennai-600 034.

+1cc to Mr.T.Ravikumar, Advocate, S.R.No.30326
+1cc to Mr.Sridhar, Advocate, S.R.No.30331

T.C.A.No.515 of 2015

VSN-II(CO)
CB(23/07/2021)