IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 13.12.2021

CORAM :

THE HON'BLE MR. JUSTICE R. MAHADEVAN
AND
THE HON'BLE MR. JUSTICE MOHAMMED SHAFFIQ

T.C.A.No.164 of 2013

Commissioner of Income Tax Central I,
108, Nungambakkam High Road,
Chennai 600 034.

... Appellant

Versus

M/s. Ramachandra Educational and
Health Trust,
22 Sir C.V.Raman Road,
Alwarpet, Chennai 600 018.
PAN: AAATS2283D

... Respondent

Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Chennai, “A” Bench, dated 11.10.2012 in I.TA.No.985/Mds/2012 against the order of the Commissioner of Income Tax Appeals-I, Chennai, dated 21.02.2012 in ITA No.132/2010-2011, PAN No.AAA7S2283D for the Assessment Year 2008-2009 against the order of the Assistant Commissioner of Income Tax, Central Circle – I(3), Chennai in PAN/GIR No.AAA7S2283D for the Assessment Year 2008-2009.

For Appellant : Mr.J.Narayanaswamy

For Respondent : Mr.R.Sivaraman

J U D G M E N T

(Judgment was delivered by R.MAHADEVAN, J.)

This tax case appeal has been filed by the appellant / Revenue, challenging the order dated 11.10.2012 passed by the Income Tax Appellate Tribunal, Chennai 'A' Bench, in I.T.A.No.985/Mds/2012, relating to the assessment year 2008-09.

2.By order dated 23.04.2013, this court admitted the aforesaid tax case appeal on the following substantial questions of law:

"(i) Whether on the facts and in the circumstances of the case, the appellate Tribunal was right in deleting the addition of Rs.29,10,287/- whcih was invested in M/s.Egmore Benefit Fund Ltd., which is contrary to Section 11(5) of the Income Tax Act?

(ii) Whether on the facts and in the circumstances of the case, the Appellate Tribunal was right in deleting the addition of Rs.96,22,500/- under Section 40(a)(i) without considering the observations of the Authority for Advance Ruling vide its order dated 29.05.2009 in Misc.No.03/673 of 2006 in assessee's own case?

(iii) Whether on the facts and in the circumstances of the case, the Appellate Tribunal was right in deleting the addition of Rs.96,22,500/- under Section 40(a)(i) relying on the judgment of the Special Bench of the Tribunal in the case of M/s.Merilyn Shipping and Transports, which is stayed by the High Court of Andhra Pradesh?

3.When the matter was taken up for consideration, the learned counsel for the appellant / Revenue brought to the notice of this court the Circular No.17/2019 dated 08.08.2019 issued by the Central Board Direct Taxes, wherein, it is stipulated that appeal shall not be filed/pursued by the Department before the High Court in cases where the tax effect does not exceed Rs.1,00,00,000/- (Rupees One Crore). It is also submitted that the tax effect in this appeal is less than the threshold limit.

4.In the light of the aforesaid submissions made by the learned counsel for the appellant / Revenue, the present appeal, wherein, the tax effect is said to be less than the monetary limit imposed, is dismissed as withdrawn, keeping open the substantial questions of law for determination in an appropriate case. No costs.

Sd/-
Assistant Registrar(CS-V)

//True Copy//

Sub Assistant Registrar

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To

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

2. Commissioner of Income Tax Central I,
   108, Nungambakkam High Road,
   Chennai 600 034.

3. The Commissioner of Income Tax,
   Income Tax (Appeals)-I,
   46, Mahatma Gandhi Road,
   Nungambakkam, Chennai-34.

4. The Assistant Commissioner of Income Tax,
   Central Circle – I(3),
   Chennai.

T.C.A.No.164 of 2013

SMI(CO)
SU(04/01/2022)