IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 30.03.2021

CORAM

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

T.C.A.No.33 of 2013

Commissioner of Income Tax,
Chennai. ... Appellant

Vs.

M/s.MM Forgings Ltd.,
Guindy House,
95 Anna Salai,
Chennai - 600 032. ... Respondent

Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, "A" Bench, dated 19.07.2012 in I.TA.No.1277/Mds/2011, Assessment Year 2008-09.

Appeal against the order of the Commissioner of Income Tax (Appeals)V, 121, M.G.Road, Chennai-34 made in ITA.No.168/2010-11 dated 21/04/2011, Assessment year 2008-09.

Appeal against the order of the Assistant Commissioner of Income Tax, Company Circle IV(3), Chennai-34 made in PAN No.AAACM2164L Assessment year 2008-09.

For Appellant : Mr.Karthik Ranganathan
Senior Standing Counsel

For Respondent : No appearance

JUDGMENT

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

We have heard Mr.Karthik Ranganathan, learned Senior Standing Counsel for the appellant/Revenue.

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 19.07.2012 made in I.TA.No.1277/Mds/2011 on the file of the Income Tax Appellate Tribunal, Chennai, "A" Bench (for brevity, the Tribunal) for the Assessment Year 2008-09.

3.The appeal was admitted on 11.02.2013 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) deleting the disallowance made of Rs.84,623/- made by the Assessing Officer under Section 14A?
>
> 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.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 III)

//True Copy//

Sub Assistant Registrar

MKN

To

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

2. The Commissioner of Income Tax, Chennai.

3. The Commissioner of Income Tax (Appeals)V,
   121, M.G.Road, Chennai-34

4. The Assistant Commissioner of Income Tax,
   Company Circle IV(3), Chennai-34

T.C.A.No.33 of 2013

SR-II(CO)
TE (28/04/2021)