IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATE: 02.07.2021

CORAM:

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

T.C.A.No.881 of 2015

Commissioner of Income Tax,
D.P.Thottam, Muthialpet,
Puducherry 605 003. ...Appellant

vs

M/s. Seva Mandir Trust
Seva Mandir
Parangipettai via
Chidambaram Taluk
PAN:AAB TS 0118 G ...Respondent

Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, "D" Bench, dated 21.01.2014 in ITA.No.1647/Mds/2013 for the Assessment Year 2007-2008, against the order of the Commissioner of Income Tax (A)-XII, Chennai-34 dated 19/03/2013 in ITA No.93/09-10 against the Assessment order of the Income Tax Officer, Ward I(3), Cuddalore dated 03/12/2009 for the assessment year 2007-08.

For Appellant : Mr.J.Narayanasamy
Senior Standing Counsel

For Respondent : Ms.Sriniraijani
for M/s.Philip George

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

We have heard Mr.J.Narayanasamy, learned Senior Standing Counsel for the appellant/Revenue and Ms.Sriniraijani, learned counsel for the respondent.

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 21.01.2014 made in ITA.No.1647/Mds/2013 on the file of the Income Tax Appellate Tribunal, Chennai, "D" Bench (for brevity, the Tribunal) for the Assessment Year 2007-2008.

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

"(i) Whether on the facts and

circumstances of the case, the Appellate Tribunal was right in granting exemption u/s.10 (23C) (iiiad) of the Income Tax Act to the Assessee Trust, whose annual receipts is more than Rs.1 Crore during the current assessment year?

(ii) Whether on the facts and circumstances of the case, the Appellate Tribunal was right in admitting new evidences during the appellate proceedings without giving opportunity to the Assessing Officer as prescribed under Rule 46A of the Income Tax Rules?

(iii) Whether the Tribunal is right in concluding the receipts of the other Two Trusts are also reflected in the Assessee Trust's income and Expenditure statement, when the Two other Trusts were granted Registration u/s.12AA only on 05.10.2009 that is much later to the present assessment year 2007-08?”

4. The learned Senior Standing Counsel appearing 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 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-IX)

//True Copy//

Sub Assistant Registrar

gv

To

1.The Registrar,
The Income Tax Appellate Tribunal,
Chennai, "D" Bench.

2.The Commissioner of Income Tax(A)-XII,
Chennai.

3.The Income Tax Office, Ward I(3),
Cuddalore.

4.The Commissioner of Income Tax,
D.P.Thottam, Muthailpet,
Puducherry.

+1cc to M/s.G.Baskar, Advocate, S.R.No.30942

T.C.A.No.881 of 2015

PPA(CO)
RVM(29/07/2021)