IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 24.03.2021

CORAM

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

T.C.A.Nos.916 and 917 of 2015

Commissioner of Income Tax,
Business Ward III (3),
Chennai. ... Appellant in all appeals

Vs.

M/s.Enterprising Enterprises,
No.9, 50th Street, Ashok Nagar,
Chennai - 600 083. ... Respondent in all appeals

Tax Case Appeals in T.C.A.Nos.916 and 917 of 2015 preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, "C" Bench, dated 20.02.2015 in I.T.A.Nos.338/Mds/2013 and 98/Mds/2013, respectively for the Assessment Years 2008-09 and 2009-10 respectively, against the order of the office of the Commissioner of Income Tax(Appeals-VIII), Chennai, dated 27.11.2012 made in ITA.No.145/10-11(A)-VIII for the Assessment Year 2008-09, and against the order of the office of the Commissioner of Income Tax(Appeals VIII) Chennai, dated 16.10.2012 made in ITA 100/11-12(A)VIII for the Assessment Year 2009-10 and against the order of the Income Tax Officer, Office of Income Tax Officer Business Ward-III(3), Chennai order date 07.12.2011 made in AAAFE0195N for the Assessment Year 2009-2010, and against the order of the Government of Income Tax Department singed by Deputy Commissioner of Income Tax Business Circle III Chennai, date 26.12.2010 made in AAAFE0195N for the Assessment Year 2008-09.

For Appellant : Mrs.V.Pushpa
Standing Counsel
in all appeals

For Respondent : Mr.M.P.Senthil Kumar
in all appeals

C O M M O N J U D G M E N T
(Judgment was delivered by M.DURAISWAMY, J.)

We have heard Mrs.V.Pushpa, learned Standing Counsel for the appellant/Revenue and Mr.M.P.Senthil Kumar, learned counsel for the respondent/assessee.

2.The above appeals, filed by the Revenue under Section 260A of the Income Tax Act, 1961 (for short, the Act), are directed against the order dated 20.02.2015 made in I.T.A.Nos.338/Mds/2013 and 98/Mds/2013, on the file of the Income Tax Appellate Tribunal, Madras, "C" Bench (for brevity, the Tribunal) for the Assessment Years 2008-09 and 2009-10 respectively.

3.The above appeals were admitted on 17.11.2015 on the following substantial question of law:

> "Whether on the facts and circumstances of the case, the Income Tax Appellate Tribunal was right in law in holding that Section 40A(3) will not apply to the assessee's case and deleted the additions made?"

4.The learned Standing Counsel for the appellant 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.

5.In the light of the said submissions, the above Tax Case Appeals are dismissed as withdrawn on account of the Low Tax Effect. The substantial question of law framed is left open. In the event the tax effect in these cases 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 above appeals to be heard and decided on merits. No costs.

Sd/-
Assistant Registrar

//True Copy//

Sub Assistant Registrar

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To

1.The Income Tax Appellate Tribunal,
   Madras, "C" Bench.

2.The Commissioner of Income Tax,
   Business Ward III (3),
   Chennai.

3.The Commissioner of Income Tax,
  (Appeals VIII),
  Chennai.

4.The Deputy Commissioner of Income Tax,
  Business Circle III, Chennai.

5.The Income Tax Officer,
  Business Ward III(3),
  Chennai 34.

T.C.A.Nos.916 and 917 of 2015

RLD(CO)
KM(22/04/2020)