IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATE: 19.02.2021

CORAM:

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

T.C.A.No.476 of 2013

Commissioner of Income Tax,
Chennai. ... Appellant

Vs.

Mary Chellathai ... 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 24.08.2012 in I.TA.No.1279/Mds/2011 Assessment Year 2002-03 against Common Order of CIT(A) dated 08.04.2011 in Case Nos. ITA. 224, 225 & 226/2009-2010 on the file of the Commissioner of Income Tax (Appeals)V Chennai 34 against PAN No. AITPM3194Q/720M on the file of the Assistant Commissioner of Income Tax, Company Circle IV(2), I/C Chennai 34.

For Appellant : Mr.M.Swaminathan,
Senior Standing Counsel

For Respondent : M/s.Lakshmi Sriram

JUDGMENT

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

We have heard Mr.M.Swaminathan, learned Senior Standing Counsel for the appellant/Revenue and M/s.Lakshmi Sriram, 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) are directed against the order dated 24.08.2012 made in I.TA.No.1279/Mds/2011 on the file of the Income Tax Appellate Tribunal, Chennai, "A" Bench (for brevity, the Tribunal) for the Assessment Year 2002-03.

3.The appeal was admitted on 28.10.2013 on the following substantial question of law:

> “Whether on facts and circumstances of the case, the Tribunal was right in holding that the payment made by M/s.MGM Diamond Beach Resorts P Ltd., to M/s.Anand Transport is not taxable as

deemed dividend taxable in the hand of the assessee?”

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 these cases are 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5.In the light of the said submissions, the above Tax Case Appeal is dismissed as withdrawn on account of the Low Tax Effect.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 question 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.

-s/d-
Assistant Registrar

True Copy

Sub-Assistant Registrar

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

2.The Commissioner of Income Tax (Appeals)V
121 Mahathma Gandhi Road, Chennai 34.

3.The Assistant Commissioner of Income Tax
Company Circle IV(2)(I/c) Chennai 34.

4.The Commissioner of Income Tax, Chennai

+1 CC to Mrs. Lakshmi Sriram, Advocate sr 9813.
+1 Cc to Mr.M.Swaminathan, Advocate sr 10245.

T.C.A.No.476 of 2013

RGN(CO)
SP(17/03/2021)