IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 29.04.2021

CORAM

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

T.C.A.No.477 of 2013

Commissioner of Income-Tax,
Chennai. ... Appellant

Vs.

Shri.Nesamani Maran,
No.1, 9th Street,
Dr.Radhakrishna Salai,
Mylapore, Chennai - 600 004. ... 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.1280/Mds/2011, Assessment Year 2002-03. Against the order of the Commissioner of Income Tax (Appeals)-V, 121 Mahatma Gandhi Road, Chennai-34, dated 08/04/2021 in ITA.Nos.224, 225 and 226/09-10 against the order of the Assistant Commissioner of Income Tax, Company circle-IV (2) (i/c), Chennai-34, dated 30/11/2009 in P.A.No.ca.I. No.AAJPM4798C/704N for the Assessment year 2002-03.

For Appellant : Mr.S.Rajesh
Standing Counsel

For Respondent : Mr.Lakshmi Sriram

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

We have heard Mr.S.Rajesh, learned Standing Counsel for the appellant/Revenue and Mr.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) is directed against the order dated 24.08.2012 made in I.TA.No.1280/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 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5.In the light of the said submissions, the above Tax Case Appeal is dismissed as withdrawn on account of the Low Tax Effect.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 question 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 IV)

//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, Mahatma Gandhi Road,
Chennai-34

4.The Assistant Commissioner of Income Tax,
Company Circle IV (2)(i/c)
Chennai - 34

+1CC to M/s. Lakshmi Sriram, Advocate, Sr.No.26604

T.C.A.No.477 of 2013

NRL (CO)
R.K. (14.07.2021)