IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 08.04.2021

CORAM

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

T.C.A.No.968 of 2015

Commissioner of Income Tax, Central II,
No.108, Nungambakkam High Road,
Chennai - 600 034. ... Appellant

Vs.

Mr.R.S.Suriya
15/17, Krishna Street,
T.Nagar, Chennai - 600 017. ... Respondent

Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, "B" Bench, dated 08.04.2015 in I.TA.No.1242/Mds/2013, Assessment Year 2010-11.

Preferred against the Order dated 27/03/2013 passed by the Commissioner of Income Tax Appeals (II), Chennai, made in ITA 199/11-12/A-II against the Order dated 30.12.2011 passed by Assistant Commissioner of Income Tax, Central Circle II (5) Chennai, made in PAN No.ALRPSO 353G.

For Appellant : Mr.T.R.Senthil Kumar
Senior Standing Counsel

For Respondent : Mr.R.Sivaraman

JUDGMENT

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

We have heard Mr.T.R.Senthil Kumar, learned Senior Standing Counsel for the appellant/Revenue and Mr.R.Sivaraman, 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 08.04.2015 made in I.TA.No.1242/Mds/2013 on the file of the Income Tax Appellate Tribunal, Chennai, "B" Bench (for brevity, the Tribunal) for the Assessment Year 2010-11.

3.The appeal was admitted on 24.11.2015 on the following substantial questions of law:

"1.Whether, on the facts and in the circumstances of the case, the Appellate Tribunal was right in holding that the amount received as advance as per the agreements entered into by the assessee with different film producers, promising to render professional services were not taxable as income, even though the assessee was following cash system of accounting?

2.Whether, on the facts and in the circumstances of the case, the Appellate Tribunal is correct in deleting the addition of Rs.34,30,000/- made under Section 69 of Income Tax Act, without any material evidence and unsatisfactory explanation by the assessee in respect of such investment?"

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, "B" Bench

2.The Commissioner of Income Tax, Central II,
No.108, Nungambakkam High Road,
Chennai - 600 034.

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

4.The Assistant Commissioner of Income Tax,
Central Circle II (5), Chennai.

JPL(CO)
GN(28/06/2021)