IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 30.04.2021

CORAM

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

T.C.A.No.596 of 2013

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

Vs.

M/s.Eagle Apparels Pvt. Limited,
No.15, Race Course Road,
Guindy, Chennai - 600 032. ... 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 06.02.2012 in I.TA.No.1534/Mds/2011, Assessment Year 1999-2000.

As per appeal against the order dated 27.06.2010 made in I.T.A. No. 382/2005-2006/A-III on the file of the Office of the Commissioner of Income Tax (Appeals)III Chennai, PAN No. AAACE1453E Assessment year 1999-2000.

As per appeal against the order dated 27.06.2005 on the file of the Assistant Commissioner of Income Tax Company Circle 11(i) Chennai 34 Assessment year 1999-2000, PAN No. AAACE1453E.

For Appellant : Mr.S.Rajesh
Standing Counsel

For Respondent : Mr.M.P.Senthil Kumar

JUDGMENT

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

We have heard Mr.S.Rajesh, learned Standing Counsel for the appellant/Revenue and Mr.M.P.Senthil Kumar, 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 06.02.2012 made in I.TA.No.1534/Mds/2011 on the file of the Income Tax Appellate Tribunal, Chennai, "B" Bench (for brevity, the Tribunal) for the Assessment Year 1999-2000.

3.The appeal was admitted on 11.11.2013 on the following substantial question of law:

> "Whether on facts and circumstances of the case, the Income Tax Appellate Tribunal was right in directing the assessing officer to compute the deductions under Section 80HHC and 80IA independently without reducing the profit computed under Section 80IA for the purpose of claiming deduction under Section 80HHC?"

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5.In the light of the said submissions, the above Tax Case Appeal is dismissed as withdrawn on account of the Low Tax Effect.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

s/d-
Assistant Registrar

True Copy

Sub-Assistant Registrar

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

2.The Commissioner of Income Tax,
Chennai.

3.The Commissioner of Income Tax (Appeals)III
Chennai.

4.The Assistant Commissioner of Income Tax
Circle 11(i) Chennai

T.C.A.No.596 of 2013

PP(CO)
SP(29/06/2021)