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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 20.07.2021

CORAM

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

T.C.A.NO.337 OF 2016

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

Vs.

M/s.Council for Leather Exports
CMDA Tower II 3rd Floor
Gandhi Irwin Bridge Road,
Egmore, Chennai - 600 008. ... Respondent/
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 26.06.2015 in I.TA.No.1192/Mds/2014, Assessment Year 2010-11.

Appeal against the Order of the Commissioner of Income Tax (Appeals)-VII, 121, Mahatma Gandhi Road, Chennai-34 made in ITA.No.322/13-14, dated 22.01.2014 PAN.No.AAACC4697G, Assessment Year 2010-11.

Appeal against the Order of the Deputy Director of Income Tax (Exemptions)-IV, Chennai dated 31.03.2013 made in PAN.No.AAACC4697G, Assessment Year 2010-11.

For Appellant : Mr.J.Narayanaswamy
Senior Standing Counsel

For Respondent : Mr.R.Venkat Narayanan
for M/s.Subbaraya Aiyar Padmanabhan

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

We have heard Mr.J.Narayanaswamy, learned Senior Standing Counsel for the appellant/Revenue and Mr.R.Venkat Narayanan for M/s.Subbaraya Aiyar Padmanabhan, learned counsel for the respondent/assessee.

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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 26.06.2015 made in I.TA.No.1192/Mds/2014 on the file of the Income Tax Appellate Tribunal, Chennai, "A" Bench (for brevity, the Tribunal) for the Assessment Year 2010-11.

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

> "Whether on the facts and in the circumstances of the case, the Tribunal was right in holding that the assessee which has objects to promote and support the leather business industry, is not for profit, but to do charity through advancement of object of general public utility and the assessee is existing for charitable purpose as per Section 2(15) of the Act and consequently, the assessee is entitled for exemption under Section 10(23C)(iv)?"

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 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(CCC)

//True Copy//

Sub Assistant Registrar

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To

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

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2. The Commissioner of Income Tax,
   Chennai.

3. The Commissioner of Income Tax (Appeals)-VII,
   121, M.G.Road, Chennai-34.

4. The Deputy Director of Income Tax (Exemptions)-IV,
   Chennai.

+1cc to M/s.Subbaraya Aiyar, Advocate, S.R.No.34774

T.C.A.No.337 of 2016

SR-II(CO)
CS/16/08/2021