WEB COPY

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATE: 27.07.2021

CORAM:

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

T.C.A.No.610 of 2016

The Commissioner of Income Tax - IV
No.121, Nungambakkam High Road,
Chennai – 600 034. ... Appellant

Vs.

M/s.Mainetti India Pvt. Ltd.,
3rd Floor, Florida Towers,
No.138/30, Nelson Manickam Road,
Chennai – 600 029. ... Respondent

Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, "D" Bench, dated 30.06.2015 in I.TA.No.616/Mds/2015 for the Assessment Year 2010-11.

Against the order of the Deputy Commissioner of Income Tax, Chennai dated 30.01.2015 PAN/GIR No. AAACM6894M in the Assessment year 2010-2011.

Against the order of the Dispute Resolution Panel, Chennai dated 28.11.2014 F.No. DRP/CHE/26/2014-2015 in the Assessment year AY 2010-2011.

For Appellant : Mr.Karthik Ranganathan,
Senior Standing Counsel

For Respondent : Mr.R.Sivaraman

JUDGMENT

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

We have heard Mr.Karthik Ranganathan, 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 30.06.2015 made in I.TA.No.616/Mds/2015 on the file of the Income Tax Appellate Tribunal, Chennai, "D" Bench (for brevity, the Tribunal) for the Assessment Year 2010-11.

https://hcservices.ecourts.gov.in/hcservices/

WEB COPY

3.The above Tax Case Appeal was admitted on the following substantial question of law:

> "Whether on the facts and circumstances of the case and in law, the Income Tax Appellate Tribunal was right in holding that expenditure incurred in foreign currency which are excluded from the export turn over, should also be excluded from total turnover, in order to grant relief under Section 10AA of the Income Tax Act, 1961?"

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 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(CS-IX)

True Copy

Sub-Assistant Registrar

va
To

1.The Assistant Registrar
Income Tax Appellate Tribunal,
Rajaji Bhavan
Besant Nagar, Chennai "D" Bench
Chennai 90.

2.The Deputy Commissioner of Income Tax
Corporate Circle 4(1)
No. 121, Mahathma Gandhi Road
Chennai 34.

https://hcservices.ecourts.gov.in/hcservices/

WEB COPY

3.The Dispute Resolution Panel
Room No. 705, VII Floor
Aayakar Bhavan Annexe
No. 121 M.G. Road, Chennai 34.

T.C.A.No.610 of 2016

MG(CO)
SP(18/08/2021)

https://hcservices.ecourts.gov.in/hcservices/