IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 05.01.2021

CORAM :

The Honourable Mr.Justice T.S.SIVAGNANAM
and
The Honourable Ms.Justice R.N.MANJULA

Tax Case Appeal No.556 of 2018

Principal Commissioner of Income Tax 2,
No.121, Mahatma Gandhi Road,
Chennai - 600 034. ...Appellant

Vs

M/s.Indowind Energy Ltd.,
Kothari Buildings, IV Floor,
114, Nungambakkam High Road,
Chennai - 600 034.
PAN: AAACI1806M ...Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 25.10.2016 made in ITA.No.937/Mds/2015 on the file of the Income Tax Appellate Tribunal, Madras 'B' Bench, and against the order of the Commissioner of Income Tax (Appeals)6 Chennai 600 034 dated 23.01.2015 in I.T.A. No. 234/CIT(A)6-2014-2015 and against the order of the Deputy Commissioner of Income Tax, Chennai 600 034 dated 28.03.2014 PAN/GIR No. AAACI1806M for the Assessment year 2008-2009.

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

For Respondent: Mr.A.S.Sriraman

JUDGMENT
(Delivered by T.S.Sivagnanam,J)

We have heard Mr.T.R.Senthil Kumar, learned Senior Standing Counsel for the Appellant - Revenue and Mr.A.S.Sriraman, learned counsel appearing for the respondent.

2. This appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 (for short, the Act), is directed against the order dated 25.10.2016 made in ITA.No.937/Mds/2015 on the file of the Income Tax Appellate Tribunal, Madras 'B' Bench (for brevity, the Tribunal) for the assessment year 2008-09.

3. The appeal was admitted on 28.08.2018 on the following substantial question of law:

> "Whether in the facts and circumstances of the case and in law, the ITAT was correct in allowing the bad debt written off on account of advance made to M/s.Wipro Finance Ltd. when the assessee is not into the business of real estate?"

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 08.8.2019 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 on account of the low tax effect. The substantial question of law framed is left open. In the event the tax effect is above the threshold limit fixed in the said circular, liberty is granted to the Revenue to file a petition before this Court to restore the appeal to be heard and decided on merits. No costs.

s/d-
Assistant Registrar

True Copy

Sub-Assistant Registrar

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To

1.The Income Tax Appellate Tribunal,
Madras 'B' Bench.
Rajaji Bhvaan, Besant Nagar
Chennai 90.

2. The Principal Commissioner of Income Tax 2,
No.121, Mahatma Gandhi Road,
Chennai - 600 034.

3.The Commissioner of Income Tax (Appeals)6
121 Mahatma Gandhi Road
Chennai 34.

4.The Deputy Commissioner of Income Tax
121 Mahatma Gandhi Road
Chennai 34.

TCA.No.556 of 2018

MG(CO)
SP(01/02/2021)