IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 08.03.2021

CORAM

THE HON'BLE MR. JUSTICE M.DURAISWAMY
AND
THE HON'BLE MRS.JUSTICE T.V.THAMILSELVI

T.C.A.No.279 of 2014

Commissioner of Income Tax,
Chennai. ... Appellant

Vs.

M/s.Beverly Hotels Pvt. Ltd.,
No.17, Rajarathinam Street,
Kilpauk, Chennai - 600 010. ... 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 31.07.2013 in I.TA.No.521/Mds/2013, Assessment Year 2008-09.

Against the order of the Commissioner of Income Tax (Appeals) -III, 121, M.G.Road, Chennai - 34 made in ITA.No.49/11-12/A - III order dated 06/12/2012 for the Assessment Year 2008-2009

Against the Order of the Assistant Commissioner of Income Tax, Company Circle - I(2), 121, M.G.Road, Aayakar Bhavan, New Block VI th Floor, Chennai - 34 Ref No. AABCB2280K/CO.I(2)/ 2008-09 dated 27/06/2011.

Against the Order of the Assistant Commissioner of Income Tax, Company Circle -I (2), Chennai 34 made in PAN No.AABCB2280K order dated 10/12/2010.

For Appellant : Mr.T.Ravikumar
Senior Standing Counsel

For Respondent : No appearance

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

We have heard Mr.T.Ravikumar, learned Senior Standing Counsel for the appellant/Revenue.

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 31.07.2013 made in

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I.TA.No.521/Mds/2013 on the file of the Income Tax Appellate Tribunal, Chennai, "A" Bench (for brevity, the Tribunal) for the Assessment Year 2008-09.

3.The appeal was admitted on 22.08.2014 on the following substantial question of law:

> "Whether on the facts and circumstances of the case, the Income Tax Appellate Tribunal was right in deleting the penalty under Section 271 (1)(c) when the fact remains that the assessee has furnished inaccurate particulars and also concealed the taxable income in the form of an illegitimate claim of expenditure which was corrected only by the detection by the Income Tax Department ?"

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

//True Copy//

Sub Assistant Registrar

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To

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

2.The Commissioner of Income Tax,
Chennai.

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

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

4.The Assistant Commissioner of Income Tax,
Company Circle - (2), 121, M.G.Road,
Aayakar Bhavan, New Block, Vi th Floor,
Chennai 34.

T.C.A.No.279 of 2014

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