IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 01.03.2021

CORAM

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

T.C.A.No.42 of 2014

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

Vs.

M/s.Integrated Enterprises Ltd.,
5-A, Kences Towers,
1, Ramakrishna Street, T.Nagar,
Chennai - 600 017. ... 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 20.09.2013 in I.TA.No.1836/Mds/2011, Assessment Year 2001-02 and this Appeal preferred against the Commissioner of Income Tax (Appeals)II Chennai 34 order dated 26.08.2011 made in I.T.A. No. 550/2008-2009/AIII for the assessment year 2001-2002 and against the Assistant Commissioner of Income Tax Company Circle II(3) Chennai 34 order dated 26.12.2008 made in G.I. No./PA No. AAAC11509F for the Assessment year 2001-2002.

For Appellant : Mr.Karthik Ranganathan
Standing Counsel

For Respondent : Mr.M.Kaushik
for Mr.S.Sridhar

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

We have heard Mr.Karthik Ranganathan, learned Standing Counsel for the appellant/Revenue and Mr.M.Kaushik for Mr.S.Sridhar, 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 20.09.2013 made in I.TA.No.1836/Mds/2011 on the file of the Income Tax Appellate Tribunal, Chennai, “A” Bench (for brevity, the Tribunal) for the Assessment Year 2001-02.

3.The appeal was admitted on 03.12.2014 on the following substantial questions of law:

> "1)Whether the Tribunal was right in upholding the order of the Commissioner of Income Tax (Appeals) in holding that the reopening of assessment made under Section 147 of the Income Tax Act and quashing the reopening of assessment which was based on the change of opinion ?
>
> 2.Whether the finding of the Tribunal was proper, especially when there was a difference between the amount admitted in the profit and loss account and the receipt shown as per the TDS certificate issued by the deductor, which clearly proves that there was an escapement of income and, therefore, reopening of assessment was proper ?"

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 questions of law framed are 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

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To

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

2.The Commissioner of Income Tax,
Chennai.

3.The Assistant Commissioner of Income Tax
Company Circle II(S)
Chennai 34.

+1 CC to Mr.S.Sridhar, Advocate sr 12329.

KJ(CO)
SP(18/03/2021)