IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATE: 25.03.2021

CORAM:

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

T.C.A.No.616 of 2014

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

v.

M/s. Nikky Enterprises (P) Ltd.,
184, Rangarajapuram Main Road,
Kodambakkam,
Chennai - 600 024 ... Respondent/Appellant

Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, “B” Bench, dated 12.11.2010 in I.T.(SS)A.No.73/Mds/2008 for the Block Period from 01.04.1987 to 11.09.1997 as against the order dated 23.04.2007 by the office of the Commissioner of Income Tax(Appeals)-5 in ITA.No.317/05-06 period from:01-04-1987 to 11-09-1997 and as against the order dated:05-09-2005 by the office of the Assistant Commissioner of Income-Tax Company Circle IV(4) Period From:1987-88 to 1996-97 & 97-98(part) and as against the order dated 28.06.2001 by the office of the Deputy Commissioner of Income Tax Central Circle 1(5), period From:1987-88 to 1996-97 & 97-98(part).

For Appellant : Mr. T.R. Senthil Kumar,
Senior Standing Counsel
Asst. by Ms. K.G. Usha Rani, Jr. S.C.

For Respondent : Mr. M. Kaushik

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

We have heard Mr. T.R. Senthil Kumar, learned Senior Standing Counsel for the appellant/Revenue and Mr. M.Kaushik 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 12.11.2010 made in I.T.(SS)A.No.73/Mds/2008 on the file of the Income Tax Appellate Tribunal, Chennai, ''B'' Bench (for brevity, the Tribunal) for the Block Period from 01.04.1987 to 11.09.1997

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

> "(i) Whether on the facts and circumstances of the case, the Tribunal was right in deleting the penalty amount of Rs.35,64,456/- initiated under section 158 FA(2)?"

4.The learned Senior Standing Counsel appearing 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

Rj

To

1.The Income Tax Appellate Tribunal,
Chennai, ''B'' Bench.

2.The Commissioner of Income Tax(Appeals)-5
Chennai.

3.The Commissioner of Income Tax, Chennai.

4.The Assistant Commissioner of Income Tax
company circle IV(4), Chennai.

5.The Deputy Commissioner of Income Taxes
Central Circle 1(5)
Chennai.

+1cc to Mr.T.R.Senthil kumar, Advocate, S.R.No.19766
+1cc to Mr.S.Sridhar, Advocate, S.R.No.19322

T.C.A.No.616 of 2014

SSN(CO)
CB(11/08/2021)