IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATE: 08.07.2021

CORAM:

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

T.C.A.Nos.631 & 632 of 2014
and
MP.No.1 of 2014 in TCA.No.632 of 2014

Commissioner of Income Tax,
Chennai. ...Appellant in both TCAs

vs.

M/s.Oriental Hotels Ltd.,
47, Mahatma Gandhi Road,
Nungambakkam,
Chennai - 600 034. ...Respondent in both TCAs

Appeals preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, "B" Bench, dated 23.01.2014 in ITA.Nos.1232 & 1233/Mds/2013 for the Assessment Years 2003-2004 & 2004-2005 against the common order dated 28.03.2013 made in ITA No.315 to 319/10-11 on the file of the Commissioner of Income Tax (Appeals)-V, Chennai and against the order dated 27/12/2010 made in PAN AAACO0728N on the file of the Deputy Commissioner of Income Tax Company circle V(I) Chennai for the assessment year 2003-04, 2004-05.

For Appellant in both TCAs : Mr.T. Ravi Kumar
Senior Standing Counsel

For Respondent in both TCAs : Mr.R.Venkatanarayanan
for Mr.Subbarayar Iyer Padmanabhan

COMMON JUDGMENT

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

We have heard Mr.T. Ravikumar, learned Senior Standing Counsel for the appellant/Revenue and Mr.R.Venkatanarayanan, learned counsel for the respondent.

2. The appeals, filed by the Revenue under Section 260A of the Income Tax Act, 1961 (for short, the Act) are directed against the orders dated 23.01.2014 made in ITA.Nos.1232 & 1233/Mds/2013 on the file of the Income Tax Appellate Tribunal, Chennai, "B" Bench (for brevity, the Tribunal) for the Assessment Years 2003-2004 & 2004-2005.

3. The appeals were admitted on the following substantial questions of law:-

> "Whether under the facts and circumstances of the case, the Income Tax Appellate Tribunal is right in holding that the re-opening is bad in law, since the Assessing Officer did not record in his reasons for escapement that there is failure on the part of the assessment?"

4. The learned Senior Standing Counsel appearing for the appellant submits that the above appeals are 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 these cases are less than the threshold limit.

5. In the light of the said submissions, the above Tax Case Appeals are 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 these cases 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 appeals to be heard and decided on merits. No costs. Consequently, connected miscellaneous petition is closed.

Sd/-
Assistant Registrar(CS II)

//True Copy//

Sub Assistant Registrar

gv

To

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

2. The Commissioner of Income Tax,
   Appeals V, Chennai.

3. The Deputy Commissioner of Income Tax,
   Company Circlr V(1), Chennai.

+1cc to Mr.T.Ravi Kumar,Advocate,Sr.32214
+1cc to M/s.Subbaraya Aiyar,Advocate,Sr.32217

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NSK 04/08/2021