IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATE: 24.03.2021

CORAM:

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

T.C.A.Nos.680 to 682 of 2014

The Commissioner of Income Tax,
Chennai. ... Appellant in all 3 TCAs

Vs.

M/s.State Industrial Promotion Corporation
of Tamil Nadu Ltd.,
19A, Rukmani Lakshmipathy Road,
Egmore, Chennai - 600 008. ... Respondent in all 3 TCAs

Appeals preferred under Section 260A of the Income Tax Act, 1961, against the orders of the Income Tax Appellate Tribunal, Madras, "A" Bench, dated 07.03.2013 in I.TA.Nos.1292,1293/Mds/2011 & 2059/Mds/2012 Assessment Year 2007-08, 2008-09 & 2009-10.

As against the order dated 31/08/2012 by the office of the Commissioner of Income Tax (Appeals)-V in CIT (A)-V/ITA No.306/2011-12 for the Assessment Year 2009-10 and as against the order dated 23/12/2011 by the Office of the Additional Commissioner of Income Tax, Company Range-VI, Assessment Year 2009-10 and as against the order dated 24/12/2010 by the Office of the Assistant Commissioner of Income Tax, Company Circle VI (4), Assessment Year 2008-2009.

For Appellant : Mr.J.Narayanasamy,
(in all 3 TCAs) Standing Counsel

For Respondent : Ms.Sriniranjani Srinivasan
(in all 3 TCAs)

COMMON JUDGMENT

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

We have heard Mr.J.Narayanasamy, learned senior standing counsel for the appellant/Revenue and Ms.Sriniranjani Srinivasan, learned counsel for the respondent/assessee.

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 07.03.2013 made in I.TA.Nos.1292,1293/Mds/2011 & 2059/Mds/ 2012 on the file of the Income Tax Appellate Tribunal, Chennai, "A" Bench (for brevity, the Tribunal) for the Assessment Year 2007-08, 2008-09 & 2009-10.

3.The appellant had raised the following substantial questions of law in the grounds of appeal in T.C.A.No.680 of 2014:

> "1)Whether on the facts and circumstances of the case, the Tribunal was right in upholding order of the CIT(A) directing the Assessing Officer to delete the penalty levied under Section 271 (1)(c) of the Act?
>
> 2)Whether on the facts and circumstances of the case, the Tribunal was right in holding that the assessee had not furnished any inaccurate particulars of income or concealed the particulars of income?"

4.The appellant had raised the following substantial question of law in the grounds of appeal in T.C.A.Nos.681 & 682 of 2014:

> "Whether on the facts and circumstances of the case, the Tribunal was right in holding that addition cannot be made based on the principles of accrual for the interest income which has not been recognised by the assessee in its books accounts, where the assessee is a Non-Banking Financial Company bound by the directions of Reserve Bank of India?"

5.The learned senior Standing Counsel 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.

6.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 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 appeals to be heard and decided on merits. No costs.

Sd/-
Assistant Registrar(CS III)

//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 (Appeals)-V,
M.G.Road, Chennai-600 034.

3.The Additional Commissioner of Income Tax,
Company Range VI, M.G.Road,
Chennai-600 034.

4.The Assistant Commissioner of Income Tax,
Company Circle VI (4),
M.G.Road, Chennai-34.

+1cc to M/s.G.Baskar, Advocate SR.19438

T.C.A.Nos.680 to 682 of 2014

ssn[co]
srg 11/06/2021