IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 18.04.2022

CORAM :

THE HONOURABLE MR. JUSTICE R. MAHADEVAN
AND
THE HONOURABLE MR. JUSTICE J.SATHYA NARAYANA PRASAD

T.C.A. No. 892 of 2013

Commissioner of Income Tax
Chennai. .. Appellant

Versus

M/s.Skill Lotto Solutions P Ltd
(formerly known as Sugal & Damani Lottery Agency P Ltd)
11 Ponnapa Lane,
Triplicane
Chennai - 600 005 .. Respondent

Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Chennai, "B" Bench, dated 16.07.2013 in I.TA.No.869/Mds/2013 against the appellate order and grounds of Decision passed by the Commissioner of Income Tax (A)-V, Chennai dated 31.01.2013 made in ITA No.534/2008-09 for the assessment year 2006-07, and against the assessment order passed by the Additional Commissioner of Income Tax Company Range -VI Chennai dated 30.12.2008 made in PA No.AABCS 3767N, for the assessment year 2006-07.

For Appellant : Mr.J.Narayanaswamy
Senior Standing Counsel

For Respondent : Mr.T.N.Seetharaman

J U D G M E N T
(Judgment of the Court was delivered by R.MAHADEVAN, J.)

This tax case appeal has been filed by the appellant / Revenue, challenging the order dated 16.07.2013 passed by the Income Tax Appellate Tribunal, Bench 'B', Chennai, in I.T.A.No.869/Mds/2013, relating to the assessment year 2006-07.

2. By order dated 28.01.2014, this court admitted the aforesaid tax case appeal on the following substantial questions of law:

"1. Whether under the facts and circumstances of the case, the Income Tax Appellate Tribunal was right in holding that the depreciation is to be allowed for the computer system even though the asset was not put to use for the purpose of business of the assessee?

2.Whether under the facts and circumstances of the case, the Income Tax Appellate Tribunal was right in holding that depreciation is to be allowed after due adjustment to the opening written down value, the value of the computer systems purchased during the year and reducing the realization on sale computers destroyed during the year, though the assessee did not produce any evidence regarding the value of computers purchased during the year?"

3. When the matter was taken up for consideration, the learned counsel for the appellant / Revenue brought to the notice of this court the Circular No.17/2019 dated 08.08.2019 issued by the Central Board Direct Taxes, wherein, it is stipulated that appeal shall not be filed/pursued by the Department before the High Court in cases where the tax effect does not exceed Rs.1,00,00,000/- (Rupees One Crore). It is also submitted that the tax effect in this appeal is less than the threshold limit.

4. In the light of the aforesaid submissions made by the learned counsel for the appellant / Revenue, the present appeal, wherein, the tax effect is said to be less than the monetary limit imposed, is dismissed as withdrawn, keeping open the substantial questions of law for determination in an appropriate case. No costs.

Sd/-
Assistant Registrar(CS-III)

//True copy//

Sub Assistant Registrar

dhk/av

To

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

2. The Commissioner of Income Tax
Chennai.

3. The Commissioner of Income Tax (Appeals) - V,
 Chennai.

4. The Additional Commissioner of Income Tax,
 Company Range - VI Chennai-36.

TCA. No. 892 of 2013

EV(CO)
GMY(11/05/2022)