IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated: 01/08/2016

C O R A M

The Honourable Mr.Justice S.Manikumar
and
The Honourable Mr.Justice D.Krishnakumar

Tax Case Appeal No.48 of 2014

Commissioner of Income Tax
Chennai. ... Appellant

Vs

M/s.Sathya Tours & Travels
No.3/2, Jeenis Road
Saidapet, Chennai - 600 015 ... Respondent

Prayer: Appeal filed against the order of the Income Tax Appellate Tribunal, Madras 'B' Bench dated 08/08/2013 in ITA No.706/Mds/2013, preferred against the order dt.14.12.2012 in ITA.No.170/10-11 (A)-VIII by the Commissioner of Income tax appeals VIII, Chennai, which was preferred against the Assessment Order dt.8.12.2010 for the Assessment Year 2008-2009 by the Assistant Commissioner of Income Tax, Circle V, Chennai-34.

For appellant : Mr.T.Ravikumar
Senior Standing Counsel
for Income Tax.

For respondent : Mr.N.V.Balaji

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J U D G M E N T

(Judgment of the Court was made by S.Manikumar,J)

This Appeal has been filed against the order of the Income Tax Appellate Tribunal, 'B' Bench, Madras, dated 08/08/2013.

2. On 14.07.2014, the Tax Case Appeal was admitted and the following substantial questions of law were raised:-

> "1. Whether the Tribunal was right in holding that provisions of Section 40(a)(ia) of the Income Tax Act are applicable only to the amounts of expenditure which are payable as on 31st March relevant previous year and it cannot be invoked to disallow the expenditure which had

been actually paid during the previous year without deduction of tax at source?

2. Whether the finding of the Tribunal is proper in holding that the amounts paid without deduction of TDS would not attract Section 40(a)(ia) and that only what remains payable would attract that section?

3. Whether the word paid would include payable for the purpose of disallowance made under Section 40(a)(ia)?”

3. Mr.T.Ravikumar, learned Senior Standing Counsel for Income Tax submitted that the tax implication in the instant appeal is less than the ceiling limit fixed by the Circular bearing No.21 of 2015, dated 10/12/2015. He further submitted that as per the Circular, Tax Case Appeal has been instructed to be withdrawn, subject to the matter covered under the circular.

4. Placing on record the above submissions, the Tax Case Appeal is dismissed as withdrawn. However, there shall be no order as to cost.

Sd/-
Asst.Registrar

/true copy/

Sub Asst. Registrar

To
1.The Assistant Registrar,
Income Tax Appellate Tribunal,
Madras "B"Bench.

2.The Commissioner of Income Tax
Appeals VIII, Nungambakkam,
Chennai.

3.The Assistant Commissioner of Income Tax,
Circle V, Chennai-34.

+1 cc to Mr.M.Swaminathan, Advocate,sr.43449

+1 cc to Mr.N.V.Balaji, Advocate,sr.43450.

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