In the High Court of Judicature at Madras

Dated : 03.2.2016

Coram :

The Honourable Mr.Justice V.RAMASUBRAMANIAN

and

The Honourable Mr.Justice N.KIRUBAKARAN

T.C.A.No.987 of 2007

Commissioner of Income Tax I,
Chennai. ...Appellant

Vs

Haritha Finance Ltd. (formerly TVS
Lakshmi Credit Ltd.), Chennai-6. ...Respondent

APPEAL under Section 260-A of the Income Tax Act against the order dated 25.1.2005 made in I.T.A.No.1343/Mds/99 on the file of the Income Tax Appellate Tribunal 'A' Bench, Chennai for the assessment year 1996-97.

For Appellant : Mrs.R.Hemalatha
For Respondent : Mr.R.Venkatanarayanan

JUDGMENT WAS DELIVERED BY V.RAMASUBRAMANIAN,J

This appeal was admitted on 6.7.2007 on the following substantial question of law :

> *"Whether in the circumstances of the case, the Tribunal was right in holding that service charges can be accounted for over the tenure of the contract ?"*

2. Heard Mrs.R.Hemalatha, learned Standing Counsel for the

V.RAMASUBRAMANIAN,J
AND
N.KIRUBAKARAN,J

RS

Department and Mr.R.Venkatanarayanan, learned counsel for the respondent.

3. The dispute that has led to the Revenue filing of the above appeal is with respect to the service charges to the extent of Rs.37,23,000/-. Since the amount of dispute is only to that extent, the tax liability arising out of the same would be less than Rs.20 lakhs.

4. In view of the circular in Circular No.21/2015 dated 10.12.2015 issued by the Central Board of Direct Taxes, the appeal is dismissed. The question of law is left unanswered. No costs.

03.2.2016

Internet : Yes

To
The Income Tax Appellate Tribunal, 'A' Bench, Chennai.

T.C.A.No.987 of 2007