IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated: 22.08.2016

C O R A M

The Honourable Mr.Justice S.MANIKUMAR
and
The Honourable Mr.Justice D.KRISHNAKUMAR

Tax Case Appeal No.553 of 2016

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

Vs.

M/s.SAR International,
No.25, Neervannan Street,
Chrompet, Chennai 600 044. ... Respondent

Prayer: Appeal filed against the order of the Income Tax Appellate Tribunal, Madras 'C' Bench, Chennai dated 11.06.2014 in ITA No.2309/Mds/2012.

For appellant : Mr.T.R.Senthil Kumar
Senior Standing Counsel
for Income Tax.

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, 'D' Bench, Madras, dated 11.06.2014.

2. The substantial questions of law raised in the instant Tax Case Appeal are:-

> "(1) Whether on the facts and in the circumstances of the case, the Tribunal was right in holding that Section 40(a)(ia) can be invoked only to the amounts of expenditure which are payable as on last day of the financial year and not the expenditure incurred during the financial year?
>
> (2) Whether on the facts and in the circumstances of the case, the Tribunal was right in deleting 50% of the addition made by the assessing officer, pertaining to sundry creditors when the assessee had admitted that the creditors were not existence in its reply to the assessing officer and the assessee had failed to prove the existence, credibility and genuineness of credits/creditors?"

3. On 16.08.2016, we were directed Mr.T.R.Senthil Kumar, learned Senior Standing Counsel for Income Tax, to ascertain, as to whether, the taxable ceiling limit of the present appeal, is less than Rs.20,00,000/-, covered by Circular No.21 of 2015, dated 10.12.2015. We also directed him to ascertain, as to whether, there is any audit

objection.

4. On instructions, Mr.T.R.Senthil Kumar, learned Senior Standing Counsel for Income Tax, submitted that tax implication in the instant appeal, is for Rs.16,29,170/-, which is less than the ceiling limit fixed by the Circular bearing No.21 of 2015, dated 10.12.2015 and that there is no audit objection. He further submitted that the Tax Case Appeal has been instructed to be withdrawn.

5. Placing on record the above submissions, while dismissing the Tax Case Appeal No.553 of 2016, as withdrawn, substantial question of law raised is left open. No costs.

(S.M.K.,J) (D.K.K.,J)
22.08.2016

Index: Yes/No
website: Yes/No.
skm

S.MANIKUMAR, J.
AND
D.KRISHNAKUMAR, J.

skm

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