IN THE HIGH COURT OF JUDICATURE AT MADRAS
DATED: 11.12.2018

CORAM
THE HON'BLE DR.JUSTICE VINEET KOTHARI
AND
THE HON'BLE DR.JUSTICE ANITA SUMANTH

Tax Case No.715 of 2007

Commissioner of Income Tax
Chennai. .... Appellant

Vs.

M/s.Raj Television Network Ltd.,
12B Poes Road, 3rd Street,
Teynamept, Chennai - 600 018. .... Respondent

Tax Case Appeal filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal, Madras 'B' Bench, Chennai, dated 23.11.2006 made in ITA No.664/Mds/2003 for the assessment year 1997-98 against the order dated 21.01.2003 made in ITA 287/98-99/TDS by the Commissioner of Income Tax(A) XI, Chennai against the assessment order dated 21.10.1998 against the TAN No.R-2120/Chennai for the assessment year 1997-1998 by the Income Tax office, TDS VIII, Chennai.

For Appellant : Mr.M.Swaminathan
Sr.Standing Counsel

For Respondent : Mr.Srinath Sridevan

J U D G M E N T
(Delivered by DR.VINEET KOTHARI,J)

This Tax Case Appeal has been filed by the Revenue calling in question the correctness of the order passed by the Income Tax Appellate Tribunal, Madras 'B' Bench, Chennai, dated 23.11.2006 made in ITA No.664/Mds/2003 for the assessment year 1997-98 by raising the following substantial questions of law:

"(i) Whether in the facts and circumstances of the case, the Tribunal was right in holding that the payments made to Reuters Television Ltd. for providing uplink facility for receiving signals from the transponders are in the nature of hire charges and not fee for technical services as per Expl.2 to Section 9(1)(vii) r.w.section 194J?

(ii) Whether in the facts and circumstances of the case, the Tribunal was right in deleting the levy of tax and interest under section 201(1) and 201(1A)?

2. When the matter is taken up for admission, the learned Standing Counsel brought to our notice the Circular instruction issued by the Central Board of Direct Taxes vide Circular No.3/2018 dated 11.7.2018 wherein it is stipulated that appeals shall not be filed/pursued by the Department before the High Court in cases where the tax effect does not exceed Rs.50 lakhs.

3. In the instant case, the tax effect is said to be less than the monetary limit imposed and therefore, the appeal filed by the Revenue is dismissed as not pressed, keeping open the substantial questions of law for determination in an appropriate case.

Sd/-
Assistant Registrar(CS VI)

//True Copy//

Sub Assistant Registrar

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To

1.The Income Tax Appellate Tribunal,
Madras 'B' Bench, Chennai.

2.The Commissioner of Income Tax(A) XI,
Chennai.

3.The Income Tax Officer, TDS VIII,
Chennai-34.

+2ccs to Mr.K.Harishankar, Advocate, S.R.No.85333

TC No.715 of 2007

GJII(CO)

rrs 24/01/2019