IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 26.11.2018

CORAM:

THE HON'BLE DR. JUSTICE VINEET KOTHARI
and
THE HON'BLE DR. JUSTICE ANITA SUMANTH

T.C.(A).No.1103 of 2009

Commissioner of Income Tax,
Company Circle IV (1),
Coimbatore. .. Appellant

Vs

M/s. Pricol Limited
(Premier Instruments & Controls Limited),
1087-A Avanashi Road,
Coimbatore-641 037. .. Respondent

**Prayer :** Tax Case (Appeal) is filed under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras 'D' Bench, dated 30.11.2007 passed in ITA No.879 to 881/Mds/05 for the Assessment years 1999-00 to 2001-02.

For Appellant : Mr.T.Ravikumar
For Respondent : Mr.R.Sivaraman

**JUDGMENT**

(Judgment of the Court was delivered by
**DR.VINEET KOTHARI, J.**)

Heard the learned counsel for the appellant.

2. The Revenue preferred this appeal challenging the order passed by the Income Tax Appellate Tribunal in ITA Nos.879 to 881/Mds/05 dated 30.11.2007 for the Assessment years 1999-2000 to 2001-2002.

3. The above appeal has been admitted on 17.11.2009 on the following substantial questions of law :

> *"i. Whether on the facts and circumstances of the case the Tribunal was right in deleting the disallowance of provision made towards service weightage of the employees?''*

4. It may not be necessary for us to answer the above substantial question of law, as the monetary limit in this appeal is lesser than the amount fixed by the circular instructions issued by the Central Board of Direct Taxes. A Division Bench of this Court had an occasion to consider the effect of those circulars in TCA.No.395 of 2018 dated 24.7.2018, the relevant portions of which are as follows :

*"4. Further, it is relevant to note that by Circular No.3/2018, dated 11.7.2018, monetary limit has further been increased and appeals be maintainable before the High Courts. It has been increased to Rs.50,00,000/-. Hence, viewed from any angle, this appeal could not have been filed.*

*5. Thus, by applying the above Circular issued by the CBDT, this appeal ought not to have been filed by the Revenue and hence, for that reason, this tax case appeal is dismissed and the substantial questions of law, framed for consideration, are left open."*

5. In the light of the above, the above appeal is dismissed. No costs. The substantial question of law is left open for consideration.

(V.K.J.,) (A.S.M.,J)

26.11.2018

Index:yes/no
tsi

**DR.VINEET KOTHARI, J.**
**AND**
**DR.ANITA SUMANTH, J.**

**tsi**

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