IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 21.12.2018

CORAM

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

Tax Case Appeal No.112 of 2009

The Commissioner of Income Tax
Tamil Nadu-VIII, Chennai. ... Appellant

Vs.

Smt.Shilpa Dugar
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 'C' Bench, Chennai, dated 27.6.2008 made in IT (SS)A No.49/Mds/2006, against the order of the Commissioner of Income Tax (Appeals)-I, Chennai 34 dated 26.12.2005 in ITA No.81/05-06 for the Assessment Year (Block 1.4.88 to 15.12.98) against the order of the Assistant Commissioner of Income Tax Central Circle IV (3), Chennai dated 29.06.2005 in P.A.No./G.I.No.ALUPS3201L/756-S.

For Appellant : Mr.M.Swaminathan
Senior Standing Counsel assisted by
Ms.Premalatha

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, 'C' Bench, Chennai, dated 27.6.2008 made in IT(SS)A No.49/Mds/2006, by raising the following substantial questions of law:

"(i) Whether, on the facts and circumstances of the case, the Tribunal was right in holding that the assessee as a share holder of TNPL had not received any cash consideration for accepting the merger of TDPL with SPIL?

(ii) Whether, on the facts and circumstances of the case, the Tribunal was right in holding that interest paid by SPIL to the assessee for the period from 1.7.1997 till the date of search cannot be brought to tax?"

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(CCC)

//True Copy//

Sub Assistant Registrar

To

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

2.The Commissioner of Income Tax (Appeal-I)
Chennai-34.

3.The Assistant Commissioner of
Income Tax Central Circle IV (3), Chennai.

TCA No.112 of 2009

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srg 15/03/2019