IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 05.12.2018

CORAM

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

Tax Case Appeal No.122 of 2009

Commissioner of Income Tax
Chennai. .. Appellant/Respondent

Vs.

M/s. Parma & Vijay Investment &
Finance Co. Pvt. Ltd.
3, Vijayaraghava Chari Road
Chennai 600 017. .. Respondent/Appellant

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, dated 06.8.2008 in ITA No.400/Mds/2007. Against the order of the Commissioner of Income Tax (A)-V, Chennai-600 034 dated 26.10.2006 made in ITA.No.413 of 2005-2006 and against the Assessment Order passed by the Assitant Commissioner of Income Tax Company Circle V(1), Chennai, dated 30.11.2005 made in PAN/GIR.No.AAACP3722H/51074-P.

For Appellant : Mr.T.Ravi Kumar
Senior Standing Counsel

For Respondent : Mr.R.Vijayaraghavan
For M/s. Subbaraya Aiyar Padmanabhan

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, dated 06.8.2008 in ITA No.400/Mds/2007, by raising the following substantial question of law:

"Whether on the facts and circumstances of the case, the Tribunal was right in holding that the assessment under Section 147 was invalid in view of the proviso to Section 14A even though there had been no earlier assessment under Section 143(3) to treat it as a re-assessment?"

2. When the matter is taken up for hearing, 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

kpl

To

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

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

3. The Assistant Commissioner of Income Tax
Company Circle V(1)
Chennai.

+1cc to Mr.T.Ravi Kumar, Advocate, S.R.No.83857
+1cc to M/s.Subbaraya Aiyar Padmanabhan, Advocate, S.R.No.84140

TCA No.122 of 2009

EV(CO)
CS/08/01/2019