IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 13.12.2018

CORAM

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

Tax Case Appeal No.1998 of 2008

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

Vs.

Van Oord ACZ Equipment B.V. ... Respondent

Tax Case Appeal filed under Section 260-A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras 'A' Bench, Chennai, dated 26.05.2008, made in ITA No.2463/Mds/2007.

For Appellant : Mr.T.Ravikumar,
Senior Standing Counsel.
For respondent : Mr.R.Sivaraman

JUDGMENT
(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 'A' Bench, Chennai, dated 26.05.2008, in ITA.No.2463/Mds/2007, by raising the following substantial question of law :

"Whether in the facts and circumstances of the case, the Tribunal was right in holding that the amount received by the assessee for hiring out dredgers to an Indian company of the same name for use in Indian ports is not taxable in India ?

2. When the matter is taken up for hearing, the learned Standing Counsel for the Department 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.50.00 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 question of law for determination in appropriate cases. No costs.

(V.K.,J.) (A.S.M.,J.)
13.12.2018

Index : Yes/No
Internet : Yes/No

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DR.VINEET KOTHARI, J.
and
DR.ANITA SUMANTH, J.

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