IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 30.11.2018

CORAM

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

Tax Case Appeal No.1346 of 2009

Commissioner of Income Tax IV
Chennai. ...Appellant

Vs.

Shri.A.Manohar Prasad ...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 22.5.2009 made in ITA No.2156/Mds/2008.and appeal against the order of Commissioner of Income Tax (Appeals) VI 121, M.G Road, Chennai-34 made in ITA.No.275/07-08 dt:25/07/2008 and appeal against the order of Income Tax Officer, Media Ward-II, 121, M.G.Road, Chennai-34, dt:28/12/2007 Assessment order for the Assessment year 2005-06, in GIR.No. & PAN.No.AAGPP5384A dt:28/12/2007.

For Appellant : Mr.M.Swaminathan
Senior Standing Counsel

For respondent : Mr.R.Venkatanarayanan for
M/s.Subbaraya Aiyar

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 22.5.2009 made in ITA No.2156/Mds/2008, by raising the following substantial question of law:

> "Whether, on the facts and in the circumstances of the case, the appellate Tribunal was justified in holding that the remuneration of Rs.84,00,000/- received by the assessee as Director of the Company was assessable under the head "income from Other Sources" and not under the head

"Salaries" ignoring all relevant material?"

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 less than the monetary limit imposed and therefore, the appeal is dismissed as not pressed, preserving the substantial question of law for determination in an appropriate case.

Sd/-
Assistant Registrar(CS II)

//True Copy//

Sub Assistant Registrar

To

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

2.The Commissioner of Income Tax Appeal-VI,
121, M.G.Road,Chennai-34

3.The Commissioner of Income Tax Appeal-VI,
121, M.G.Road, New Block, Room 314, IIIrd floor,
Chennai-34.

+1cc to Mr.S.Premalatha, Advocate, S.R.No.82058

TCA No.1346 of 2009

KJI(CO)
GSP(07/01/2019)