IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 06.12.2018

CORAM

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

Tax Case Appeal No.41 of 2009

Commissioner of Income Tax
Chennai. .. Appellant/Appellant

Vs.

M/s. Orchid Chemicals & Pharmaceuticals Ltd.
131, Valluvar Kottam High Road
Nungambakkam
Chennai 600 034. .. Respondent/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 dated 26.3.2008 made in ITA No.2320/Mds/2007 against the order dated 15/6/2007 made in ITA No.275/2005-2006 on the file of O/o Commissioner of Income Tax (Appeals) V Chennai-34 against the assessment order dated 31.03.2005 made in PAN AAAC0040213 on the file of Deputy Commissioner of Income Tax, Company Circle V(1) Chennai.

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

For Respondent : Mr.R.Sivaraman

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 26.3.2008 made in ITA No.2320/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 assessee is eligible for the benefit of Section 10B in respect of profit from sale of scrap and spent

solution?"

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-VIII)

//True copy//

Sub Assistant Registrar

kpl

To

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

2. The Commissioner of Income Tax (Appeals) V,
121, Mahatma Gandhi Road, Chennai - 34.

3. The Deputy Commissioner of Income Tax,
Company Circle V(1), Chennai-34.

4. The Assistant Commissioner of Income Tax,
Company Circle V(1), Chennai-34.

Copy To

The Section Officer, VR Section, High Court, Madras.

+1cc to Mr.T.Ravi Kumar, Advocate SR.No.83935

TCA No.41 of 2009.

VGI(CO)
GMY(23/01/2019)