IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 29.11.2018

CORAM

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

Tax Case Appeal No.968 of 2009

Commissioner of Income Tax
Chennai.
.... Appellant

Vs.

Peirce Leslie India Ltd.
37, Dr.P.V.Cherian Cresent
Egmore, Chennai - 600 008.
.... 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 20.10.2008 made in ITA No.2389/Mds/2007 for the assessment year 2003-04 as against the order of the commisioner of Income Tax appeals V, Chennai.34 Dated 31.07.2007 in ITA NO.81/2006-07 as against the order of the Commisioner of Income Tax Appeals V, Chennai. 34. dated 29.05.2007 ITA 157-2005-2006, and against the Assessment Order of Income Tax officer (OSD) company circle V(2) Chennai. Dated 24.02.2006 in PAN: AAACP2 440 and the order of Deputy Commissioner of Income tax company Circle V (2), Chennai. DATED 30.03.2005 in PAN/GIR NO.AAACP2746F.

For Appellant : Ms.Premalatha
for Mr.M.Swaminathan
Standing Counsel

For Respondent : Mr.V.S.Jayakumar

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 20.10.2008 made in ITA No.2389/Mds/2007 for the assessment year 2003-04 by raising the following substantial question of law:

"Whether on the facts and circumstances of the case, the Tribunal was right in holding that assessee is entitled for the claim of bad debt of Rs.82.13 lakhs and Rs.35.5 lakhs for the assessment years 2002-03 and 2003-04 by adjustment of the receipts against the later advances in guise of favourable arrangements of accounts?".

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 questions of law for determination in an appropriate case.

Sd/-
Assistant Registrar(CS)

//True Copy//

Sub Assistant Registrar

To
The Income Tax Appellate Tribunal, Madras 'B' Bench, Chennai.

2.The commisioner of Income Tax Appeals V,
121,Mahathma Gandhi road,
Chennai. 34.

3.The Income Tax Officer (OSD),
Company circle V(2),
Chennai.

4.The Deputy Commisioner of Income Tax ,
Company circle V(2),
Chennai.

TCA No.968 of 2009

A.SK(18/01/2019)