IN THE HIGH COURT OF JUDICATURE AT MADRAS
DATED : 04.12.2018

CORAM
THE HONOURABLE MR.JUSTICE T.S.SIVAGNANAM
and
THE HONOURABLE MR.JUSTICE N.SATHISH KUMAR

Tax Case (Appeal) No.285 of 2011

Commissioner of Income Tax
Chennai. ... Appellant/Appellant

-vs-

M/s.Tenneco RC India Pvt. Ltd.,
(Formerly Hydraulics Limited)
No.22, SIPCOT Industrial Estate,
Hosur - 635 126. ...Respondent/Respondent

Tax Case (Appeal) filed under Section 260-A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal Bench 'A', Chennai, dated 16.11.2010, in ITA.No.1895/Mds/2009 for the assessment year 2003-04 preferred against the order passed by the Commissioner of Income Tax, (Appeals) III, Chennai -600034 dt. 30/09/2009 made in ITA. No. 121/06-07/A.III for the Assessment year 2003-04 against the order passed by the Assistant Commissioner of Income Tax, Company order II(2), Chennai-34, dt.24/02/2006 made in AAACH8303E for the Assessment year 2003-04.

For Appellant : M/s.V.Pushpa
For Respondent : Mr.R.Kumar
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JUDGMENT

(Judgment was delivered by T.S.Sivagnanam, J.)

This appeal, filed by the Revenue under Section 260A of the Income-tax Act, 1961 (hereinafter referred to as "the Act"), is directed against the order passed by the Income Tax Appellate Tribunal Bench ' A', Chennai (hereinafter referred to as "the Tribunal") dated 16.11.2010, in ITA.No.1895/Mds/2009 for the assessment year 2003-04.

2.The appeal has been admitted by order dated 17.08.2011, on the following substantial question of law:-

“Whether on the facts and in the circumstances of the case, the Appellate Tribunal was right in deleting the disallowance of interest on the advance given to the subsidiary company?

3.Heard M/s.V.Pushpa, learned counsel for the appellant/revenue and Mr.R.kumar, learned counsel for the respondent/assessee.

4.The learned counsel appearing for the respondent/assessee submits that for the assessment year 1999-2000, the Division Bench in TC(A).No.18 of 2010 dated 01.07.2013 has held in favour of the assessee. The operative portion of the order reads as follows:

> "13.The Revenue does not dispute the fact that the advancing of funds by the assessee into the sister concern was in terms of the BIFR's order. That being the case, no useful purpose would be served by again directing a remand on the merits of the claim of the assessee."

5.Following the same, this tax case appeal is dismissed. Consequently, the substantial question of law is answered against the appellant. No costs.

Sd/-
Assistant Registrar(CS III)

//True Copy//

Sub Assistant Registrar

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To

1.The Income Tax Appellate Tribunal Bench 'A', Chennai.

2.The Commissioner of Income Tax (Appeals) III, Chennai -34.

3.The Assistant Commissioner of Income Tax Company Circle II(2), Chennai -34.

+1cc to Mr.S.Sridhar, Advocate, S.R.No.84124

T.C.(A) No.285 of 2011

SR(CO)

rrs 02/01/2019