IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 2.11.2018

CORAM

THE HON'BLE MR.JUSTICE HULUVADI G. RAMESH
AND
THE HON'BLE MR.JUSTICE K.KALYANASUNDARAM

Tax Case Appeal No.213 of 2018

Principal Commissioner of Income Tax
No.3 Gandhi Road,
Salem. ...Appellant

Vs.

M/s. K.K.PottaneriPACCS Ltd.,
PottaneriPO, Mettur Taluk,
Salem 636 453.
PAN: AAB AK 0355 J ...Respondent

Tax Case Appeal filed under Section 260A of the Income Tax Act,1961 against the order of the Income Tax Appellate Tribunal, Madras 'D' Bench, Chennai, dated 30.1.2017 made in ITA No.3000/Mds/2016. Against the order date :18/08/2016 made in ITA.No.233/2015-16 office of the Commissioner of Income Tax (Appeals) No.3 Gandhi Road, Salem-7.

Against the order dt:30/09/2015 made under Section 143(3) for the assessment year 2013-14 in Pan/GIR:AABAK0355J.

For Appellant : Mr.T.R.Senthil Kumar
Standing Counsel

J U D G M E N T
(Delivered by Huluvadi G.Ramesh,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 Madras 'D' Bench, Chennai, dated 30.1.2017 made in ITA No.3000/Mds/2016, by raising the following substantial question of law:

> "Whether the Appellate Tribunal is right in allowing deduction under section 80P(2)(a)(i) of the Income Tax Act to the assessee society, when the assessee co-operative society is engaged in finance business

and cannot be termed as co-operative society?"

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

//True Copy//

Sub Assistant Registrar

ssk.
To

1. Principal Commissioner of Income Tax
No.3 Gandhi Road,
Salem.

2.The Commissioner of Income Tax,
Appeals, 3,Gandhi Road, Salem-7

+1cc to Mr.T.R.Senthilkumar, Advocate, S.R.No.76067

TCA No.213 of 2018

KAN(CO)
GSP(04/12/2018)

HULUVADI G.RAMESH,J,
and
K.KALYANASUNDARAM,J

ssk.

2.11.2018.