IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 02.08.2018

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THE HONOURABLE MR. JUSTICE M.M.SUNDRESH
and
THE HONOURABLE MR. JUSTICE N.ANAND VENKATESH

T.C.(A). No.281 of 2010

The Commissioner of Income Tax,
Chennai. ... Appellant/Respondent

vs.

M/s.Sree Swamy Silk House,
115, BTK Nambi Street,
Kanchipuram. ... Respondent/Appellant

Appeal filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal "C" Bench, Chennai dated 09.10.2009 passed in I.T. A. 2032/Mds/2008 against the order dated 31.07.2008 made in ITA No.175/07-08 viz., The Commissioner of Income Tax (Appeals)IX, Chennai-34, against the Assessment order dated 31.12.2007 by the Income Tax Officer, Ward I(1), Kanchipuram for the Assessment Year 2005-2006.

For Appellant : Mr.T.Ravikumar

For Respondent : Mr.Vijayaraghavan

JUDGMENT

(Judgment of the Court was delivered by M.M.SUNDRESH, J.)

The Revenue has filed this appeal by formulating the following substantial questions of law in respect of the assessment year 2005-2006:

"1.Whether the Tribunal was correct in restricting the claim of commission payment made to 20% on the total sales turn over especially in the absence of any proof to substantiate the payment of such commission?

2.Whether on the facts and in the circumstances of the case the Tribunal was right in allowing the commission payment of Rs.49.81 lakhs when admittedly

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the declared income was only Rs.1,42,480/- and that too by producing self generated vouchers containing signature only without even containing the name of the person or the amount paid?

2.Heard the learned counsel appearing for the appellant and the learned counsel appearing for the respondent.

3.When the matter is taken up for hearing, learned counsel appearing for the appellant would submit that the Central Board Direct Taxes by Circular No.3/2018 dated 11.07.2018 revised the monetary limits for filing appeals before the Appellate Tribunal and the High Court and for filing special leave petitions before the Supreme Court. As per the said circular, the monetary limit for filing appeal before the High Court has been increased to Rs.50,00,000/-.

4.In view of the circular issued by the Central Board Direct Taxes in Circular No.3/2018 dated 11.07.2018, this tax case appeal is dismissed on the ground of low tax effect, leaving the substantial questions of law open, which have been framed for consideration. No costs.

Sd/-
Assistant Registrar(CS IV)

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Sub Assistant Registrar

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To

1.The Income Tax Appellate Tribunal,
"C" Bench, Chennai.

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

3.The Income Tax Officer,
Ward I (1),
Kanchipuram.

+1cc to Mr.Karthik Ranganathan, Advocate Sr.53148

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