IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 02.08.2018

CORAM

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

T.C.(A).NO.822 OF 2010

Commissioner of Income Tax III,
Chennai. .. Appellant

vs.

M/s.Patterson Securities Pvt. Ltd.,
Vanguard House,
48, Second Line Beach Road,
Chennai - 1. .. Respondent

Appeal filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal "D" Bench, Chennai dated 26.02.2010 passed in I.T. A. No.1444/Mds/2009. against the order of the Commissioner of Income Tax (Appeals)-V, Chennai at 21.07.2008, in I.T.A.No.388/2006-07 for the assessment year 2004-05 and against the order of the Deputy Commissioner of Income Tax Company Circle V(1) Chennai dated 30.11.2006 passed in PAN/GIR.No.AAACP4386P/5113-P for the assessment year 2004-05.

For Appellant : Mr.M.Swaminathan
For Respondent : Mr.J.Balachander

JUDGMENT

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

The Revenue has filed this appeal by formulating the following substantial question of law in respect of the assessment year 2004-2005:

"Whether on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in holding that trading in derivatives during the previous year relevant to the assessment year 2004-05 was not a speculative transaction in terms of Section 43(5) of the Income Tax Act?"

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 question of law open, which has been framed for consideration. No costs.

Sd/-
Assistant Registrar(CS V)

//True Copy//

Sub Assistant Registrar

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To

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

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

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

Copy to
The Assistant Registrar,
Income Tax Appellate Tribunal IIIrd Floor,
Rajaji Salai, Besant Nagar, Chennai-90.

+1cc to Mr.M.Swaminathan, Advocate, S.R.No.52658

T.C.(A).No.822 of 2010

CS/16/08/18