IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 5.9.2019

CORAM

THE HON'BLE DR.JUSTICE VINEET KOTHARI
AND
THE HON'BLE MR.JUSTICE C.SARAVANAN

Tax Case No.166 & 167 of 2007

Commissioner of Income Tax
Chennai. Appellant

Vs.

M/s.Soundararajan & Co.
121, Tank Bund Road,
Nungambakkam, Chennai 600 034. Respondent

Tax Cases filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal, 'B' Bench, Chennai, dated 10.3.2006 made in ITA Nos.931/Mds/2001 and 932/Mds/2001 against the order of Commissioner of Income Tax(Appeals)-XIII,Chennai 34 dated 29.03.2001 made in ITA.NOS.158/2000-20001, 159/2000-2001 for the assessment year 1997-1998, 1999-2000 against the order of the Income Tax officer,TDS IV, Chennai dated 28.08.2000 for the Assessment Years 1997-1998,1999-2000.

For Appellant : Mr.Karthik Ranganathan
Senior Standing Counsel assisted by
Mr.Rajesh, Jr. Standing Counsel

COMMON JUDGMENT
(Delivered by DR.VINEET KOTHARI,J)

These Tax Cases have been filed by the Revenue, calling in question the correctness of the order passed by the Income Tax Appellate Tribunal, 'B' Bench, Chennai, 10.3.2006 made in ITA Nos.931/Mds/2001 and 932/Mds/2001, for the Assessment Years 1997-1998 and 1999-2000, by raising the following substantial question of law:

> "Whether on the facts and circumstances of the case, the Tribunal was right in holding that the assessee is not liable to deduct tax at source on interest payments in respect of loans taken?"

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2. When the matters are taken up for hearing, learned Senior Standing Counsel brought to our notice the Circular instruction issued by the Central Board of Direct Taxes vide Circular No.17/2019 dated 8th August 2019, 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.1,00,00,000/- (Rupees One Crore).

3. In the instant cases, the tax effect is said to be less than the monetary limit imposed and therefore, the Appeals filed by the Revenue are dismissed, as withdrawn, keeping open the substantial question of law for determination in appropriate cases. No costs.

Sd/-
Assistant Registrar(insp cell)

//True Copy//

Sub Assistant Registrar

ssk.
To

1. Commissioner of Income Tax (appeals)-XIII,
Chennai 34.

2. Income Tax Appellate Tribunal,
'B' Bench, Chennai.

3. The Income Tax Officer (TDS-IV)
Chennai.

Tax Case Nos.166 & 167 of 2007

PM
A.SK(08/11/2019)

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