IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 6.9.2019

CORAM

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

Tax Case No.1133 of 2008

The Commissioner of Income Tax
Salem ... Appellant

Vs.

R.Balamurugan ... Respondent

Tax Case filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal, 'D' Bench, Chennai, dated 13.10.2006 made in IT(SS)A No.91/Mds/2004 against the Appellate order passed y the Commissioner of Income Tax(A), Salem dated 31/03/2004, 30/03/2004 made in ITA Mos.315/2001-02, 332/2002-03, 313/2002-02 respectively againsst the Deputy Commissoner of Income tax, Company Circle, Salem dated 24/12/200, Tax, Company circle, Salem dated 24/12/2002, 31/01/2002, made in PAN/GIR No.dated 24/12/2002, 31/01/2002 made in PAN/GIR No.IDPV0079, IDPB0027, IDHR018 respectively.

For Appellant : Mr.T.R.Senthilkumar
Senior Standing Counsel assisted by
Ms.K.G.Usharani, Jr. Standing Counsel

For Respondent : No appearance.

JUDGMENT
(Delivered by DR.VINEET KOTHARI,J)

This Tax Case has been filed by the Revenue, calling in question the correctness of the order passed by the Income Tax Appellate Tribunal, 'D' Bench, Chennai, dated 13.10.2006 made in IT(SS)A No.91/Mds/2004, for the Block Assessment Period from 1.4.1989 to 19.1.2000, by raising the following substantial questions of law:

"i) Whether, on the facts and in the circumstances of the case, the Income Tax Tribunal is right in law in deleting the additions made on account of cost of construction?

ii) Whether, on the facts and in the circumstances of the case, the Income Tax Tribunal is right in not considering Section 158BB(ca)?"

2. When the matter is 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 case, the tax effect is said to be less than the monetary limit imposed and therefore, the Appeal filed by the Revenue is dismissed, as withdrawn, keeping open the substantial questions of law for determination in appropriate cases. No costs.

Sd/-
Assistant Registrar(CS-IV)

//True copy//

Sub Assistant Registrar

ssk.

To

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

2. The Commissioner of Income Tax
Salem

3. Deputy Commissioner of Income Tax,
Company Circle, Salem.

T C No.1133 of 2008

EV(CO)
GMY(11/11/2019)