IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 3.12.2019

CORAM

THE HON'BLE DR.JUSTICE VINEET KOTHARI
AND
THE HON'BLE MR.JUSTICE R.SURESH KUMAR

Tax Case No.1373 of 2008

Commissioner of Income Tax
Chennai. : Appellant/Respondent

Vs.

M/s.Solidaire India Ltd.,
12, I Main Road,
Gandhi Nagar,
Chennai 600 020. : Respondent/Respondent

Tax Case filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal, 'C' Bench, Chennai, dated 15.2.2008 made in ITA No.1398/Mds/2004 for the assessment year 2001-02 against the Commissioner of Income Tax, Chennai-III, Chennai dated: 17.03.2004 made in C.No.3033/50/III/03-04 for the assessment year 2001-02 against the Deputy Commissioner of Income Tax Company Circle VI(3), Chennai, dated 30/10/2003, made in GIR No./PAN S0-100/AAA CS 5019 G for the assessment year 2001-02.

For Appellant : Mr.T.Ravikumar
Senior Standing Counsel

J U D G M E N T
(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, 'C' Bench, Chennai, dated 15.2.2008 made in ITA No.1398/Mds/2004, for the Assessment Year 2001-2002, by raising the following substantial questions of law:

"(i) Whether on the facts and circumstances of the case, the Tribunal was right in holding that since the assessee had a loss even after the disallowance, the assessment order cannot be said to be prejudicial to the revenue to enable the Commissioner of Income Tax to revise the same u/s 263 of the Act?

ii) Whether on the facts and circumstances of the case, the Tribunal was right in holding that the interest became due and payable only after the Supreme Court's ruling even in respect of contracted interest which accrued during the earlier years?"

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is said to be less than the monetary limit imposed and therefore, the Appeal filed by the Revenue is dismissed, as withdrawn, keeping open the substantial questions of law for determination in appropriate cases.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

// True Copy//

Sub Assistant Registrar

ssk

To

1. Commissioner of Income Tax,
Chennai.

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

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

4.The Commissioner of Income Tax,
Chennai-III, Chennai.

Copy to:
The Section Officer,
Writ (A.E) Section,
High Court, Madras-109.

+1CC to Mr.J.Narayanasamy, Advocate, SR.No.10294.

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