IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 5.4.2019

CORAM

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

Tax Case Appeal No.424 of 2009

Commissioner of Income Tax
Chennai ...Appellant/Appellant

Vs.

Ramashaimal Sahuwala & Sons
Charitable Trust
24 Cathedral Road,
Chennai 34. ...Respondent/Respondent

Tax Case Appeal filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal, Madras 'B' Bench, Chennai, dated 26.9.2017 made in ITA No.1429/Mds/2006 against the order of the Commissioner of Income Tax (Appeals) XI, 121, Mahathma Gandhi Road, Chennai 600 034 dated 14.02.2006 made in I.T.A. No. 369/04-05 and G.I/P.A. No. 4635R Assessment year 1997-1998 and against the order of the Assistant Director of Income Tax (Exemptions)IV (i/c) Chennai 34 for the Previous year 31.03.1998 PAN/GIR No. 4635-R date of order 24.02.2005.

For Appellant : Mr.J.Narayanasamy,
Senior Standing Counsel

For Respondent : Mr.M.P.Senthilkumar, assisted by
Ms.Sree Lakshmi Selvi

JUDGMENT
(Delivered by DR.VINEET KOTHARI,J)

This Tax Case Appeal has been filed by the Revenue calling in question the correctness of the order passed by the Income Tax Appellate Tribunal, 'B' Bench, Chennai, dated 26.9.2017 made in ITA No.1429/Mds/2006, by raising the following substantial question of law:

"(i) Whether, on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal is right in holding that the assessee was eligible for exemption under Section 11 of the Income Tax Act, on account of the income earned from running of the Kalyana Mandapam?"

2. When the matter is taken up for admission, the learned Standing Counsel brought to our notice the Circular instruction issued by the Central Board of Direct Taxes vide Circular NO.3/2018 dated 11.7.2018 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.50 lakhs.

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 not pressed, keeping open the substantial question of law for determination in an appropriate case.

s/d-
Assistant Registrar

True Copy

Sub-Assistant Registrar

ssk.
To
1. Commissioner of Income Tax
   Chennai

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

3. The Assistant Director of Income Tax
   (Exemptions) IV,
   Income Tax Office, Chennai 600 034.

4.The Commissioner of Income Tax (Appeals)
  121, Mahathma Gandhi Road
  Chennai 34.

+1 CC to Mr.J.Narayanasamy, Advocate sr 33647.
+1 CC to Mr.N.Muthukumar, Advocate sr 34124

TCA No.424/2009

NA(CO)
SP(31/05/2019)