IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 07.03.2019

CORAM

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

Tax Case Appeal Nos.663 to 665 of 2009

Commissioner of Income Tax-I,
Tiruchirapalli. .. Appellant / Respondent in all TCAs.

Vs.

M/s.Cethar Vessels (P) Ltd.,
No.4, Dindigul Road,
Tiruchirapalli. .. Respondent / Appellant in all TCAs.

Tax Case Appeals filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal, Chennai 'C' Bench, Chennai, dated 24.04.2004 made in I.T.A.Nos.2171, 2172, 2173 (Mds.)/2003, respectively, in respect of Assessment Years 1996-97, 1997-98 and 1998-99. Against the order of the Commissioner of Income Tax (Appeals), Tiruchirappalli dated 12.08.2003 and made in ITA Nos.234, 235 and 236/2002-03 against the order of the Deputy Commissioner of Income Tax, Tiruchirappalli dated 16.09.1998, 17.08.1999 and 22.02.2001 made in PAN/GIR Nos.105 C and AAACC2721M for the Assessment Years 1996-97, 1997-98 and 1998-99 respectively.

For Appellant in all TCAs : Mr.M.Swaminathan, Standing Counsel, assisted by Mrs.S.Premalatha, Jr.Stdg. Counsel

For Respondent in all TCAs : Mr.M.P.Senthil Kumar

J U D G M E N T

(Delivered by DR.VINEET KOTHARI,J)

These Tax Case Appeals have been filed by the Revenue calling in question the correctness of the order passed by the Income Tax Appellate Tribunal, dated 24.04.2004 in

I.T.A.Nos.2171, 2172, 2173 (Mds.)/2003, by raising the following substantial question of law:

> "Whether on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in holding that the orders of rectification u/s 154 for the assessment years 1996-97, 1997-98, 1998-99 rectifying the deduction u/s 80IA by excluding the interest on fixed deposits and recurring deposits from the profit of the new industrial unit were not valid on the ground that there were no mistakes apparent from record, overlooking that the rectifications have been made on the basis of facts available on record and based on the decisions of the Supreme Court ? "

2. When the matter is taken up for hearing, 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 appeals filed by the Revenue are dismissed as not pressed, keeping open the substantial question of law for determination in an appropriate case.

Sd/-
Assistant Registrar (CS-IV)

//True Copy//

Sub Assistant Registrar

sra

To

1) The Commissioner of Income Tax - I,
Tiruchirappalli.

2) The Commissioner of Income Tax (Appeals),
Tiruchirappalli

3) The Deputy Commissioner of Income Tax,
Tiruchirappalli

+1 cc to Mr.M.Swaminathan, Advocate, S.R.No.21434
+1 cc to Mr.Philip George, Advocate, S.R.No.21931

TCA Nos.663 to 665 of 2009

NMI(CO)
SSM(04/04/2019).