IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 9.1.2019

CORAM

THE HON'BLE DR.JUSTICE VINEET KOTHARI
AND
THE HON'BLE DR.JUSTICE ANITA SUMANTH

Tax Case Appeal No.1414 of 2010

Commissioner of Income Tax
Chennai ... Appellant

Vs.

M/s.Indian Shoes Exports Pvt. Ltd.,
151/4, Mount Poonamallee Road,
Ramapuram, Chennai 600 089. ... Respondent

Tax Case Appeal filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal, Madras 'D' Bench, Chennai, dated 28.5.2010 made in ITA No.2258/Mds/2008,

against the order passed by the Commissioner of Income Tax (Appeals)-VIII, Chennai 600 034 made in ITA No.202/07-08 dated 05/09/2008 for the Assessment Year 2004-2005 and against the order passed by the Assistant Commissioner of Income Tax, Company Circle II(3) V Floor, New Block, Chennai 100 034 made in GI No./PA.No.AAAC15683A dated 15/11/2006 for the Assessment Year 2004-05.

For Appellant : Mr.T.Ravikumar
Senior Standing Counsel

For respondent : Mr.A.S.Sriraman



J U D G M E N T

(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, 'D' Bench, Chennai, dated 28.5.2010 made in ITA No.2258/Mds/2008, by raising the following substantial question of law:

"Whether on the facts and in the circumstances of the case the Appellate Tribunal was right in deleting the addition of Rs.12,32,158/- towards amount paid for settlement to the workers and holding that Section 35DDA will not apply?"

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.

Sd/-
Assistant Registrar(CO)

//True Copy//

Sub Assistant Registrar

To

1. Commissioner of Income Tax
Chennai

2. M/s.Indian Shoes Exports Pvt. Ltd.,
151/4, Mount Poonamallee Road,
Ramapuram, Chennai 600 089.

3. The Assistant Commissioner of Income Tax,
Company Circle II(3), Chennai.

4. Income Tax Appellate Tribunal,
Madras 'D' Bench, Chennai.

5. The Commissioner of Income Tax (Appeals)-VII,
Chennai 600 034.

+1cc to Mr.S.Sridhar, Advocate Sr.2897

TCA No.1414 of 2010

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srg 11/02/2019