IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 04.12.2019

CORAM

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

Tax Case Appeal No.701 of 2010

Commissioner of Income Tax
Chennai. ... Appellant/Petitioner

Vs.

Shri Suresh B Mehra ... 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 'D' Bench, Chennai, dated 30.11.2007made in ITSSA.No.152/Mds/2002, against the order of the Commissioner of Income Tax(Appeals) Central-I, Chennai 600 034 made in ITA.NO.338/2001-02 dated 05.06.2002 against the order of the Deputy Commissioner of Income Tax Central Circle-IV(1), Chennai-34 made in P.A.NO./G.I.NO.AARPS 1031Q/702-S dated 28.02.2002.

For Appellant : Mr.TR..Senthil Kumar,
Senior Standing Counsel

For Respondent : No appearance

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, Madras, by raising the following substantial question of law:

"Whether on the facts and circumstances of the case, the Tribunal is right in law in deleting the loan amount advanced to N.S.Raghava Reddiar in the name of Dharmasastha along with interest which is a duty free shop of the assessee and not liable to be taxed?”

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 appeal filed by the Revenue is dismissed as not pressed, keeping open the substantial questions of law for determination in an appropriate case.

Sd/-
Assistant Registrar(CCC)

//True Copy//

Sub Assistant Registrar

KST

To

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

2.The Commissioner of Income Tax(Appeals)
Central-I, Chennai 600 034.

3.The Deputy Commissioner of Income Tax,
Central Circle-IV(1), Chennai-600 034.

4. The Section Officer,
V.R Section,
High Court, Madras

TCA No.701 OF 2010

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