IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 10.1.2019

CORAM

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

Tax Case Appeal No.710 of 2010

The Commissioner of Income Tax
Chennai. ... Appellant

Vs.

M/s.Agri Horticulture Society,
31, Cathedral Road,
Chennai 86. ... Respondent

Tax Case Appeal filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal, Madras 'A' Bench, Chennai, dated 31.5.2006 made in ITA No.2367/Mds/2003. and against the O/o Commissioner of Income Tax, (Appeals)-XI, Chennai-34 and made in ITA.No.13 to 17/2003-04 dated 14.10.2007, for the Assessment Year 1995-96, 96-97, 97-98, 98-99, 1999-2000 and against the Assistant Director of Income Tax(Exception)-I, Chennai-34 PAN-1662-A/AAAA/T0258N-dated 28.02.2003 for the Assessment Year 1998-99.

For Appellant : Mr.T.Ravikumar
Senior Standing Counsel

For respondent : Mr.A.S.Sriraman for
Mr.S.Sridhar

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, 'A' Bench, Chennai, dated 31.5.2006 made in ITA No.2367/Mds/2003, by raising the following substantial question of law:

"Whether on the facts and circumstances of the case, the Tribunal was right in not deciding the profits and gains of the business and the evaluation of application of income, for every assessment year to allow exemption?"

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

ssk.

To

1. The Commissioner of Income Tax
   Chennai.

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

3. The Assistant Director of Income Tax,
   (Exemptions)-I, Chennai-34

TCA.No.710 of 2010

RR(CO)
CS/07/03/2019