In the High Court of Judicature at Madras

Dated : 02.1.2019

Coram :

The Honourable Mr.Justice T.S.SIVAGNANAM
and
The Honourable Mr.Justice N.SATHISH KUMAR

Tax Case Appeal No.122 of 2018

The Principal Commissioner of
Income Tax, Salem ...Appellant / Appellant

Vs

M/s.S 4091 Mallasamudram PACCS
Ltd., Namakkal District-637503. ...Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 30.1.2017 in ITA No.3257/Mds/2016 on the file of the Income Tax Appellate Tribunal Madras 'D' Bench for the assessment year 2013-14 against the order dated 30.08.2016 in ITA No.255/15-16 on the file of the Commissioner of Income Tax (Appeals), Salem against the order dated 30.10.2015 in PAN/GIR No.AABAN1134E on the file of the Income Tax Officer, Ward 5, Namakkal.

For Appellant : Mr.M.Swaminathan, SSC

For Respondent : Ms.S.Surya Devi

Judgment was delivered by T.S.SIVAGNANAM,J

Heard the learned Senior Standing Counsel for the appellant.

2. This appeal by the Revenue challenges the order passed by the Income Tax Appellate Tribunal, which decided the issue in favour of the assessee. The Revenue has filed this appeal by raising the following substantial question of law :

> "Whether the Appellate Tribunal is right in allowing deduction under Section 80P(2)(a)(i) of the Income Tax Act to the assessee society, when the assessee cooperative society is engaged in finance business and cannot be termed as a cooperative society ?"

3. The Revenue seeks to withdraw this appeal on account of low tax effect in terms of Circular No.3 of 2018 dated 11.7.2018 issued by the Central Board of Direct Taxes.

4. In the light of the above, the appeal is dismissed as withdrawn and the substantial question of law raised is left open. In the event the tax effect is above the threshold limit fixed in the said circular under exceptional clauses mentioned in the circular, liberty is granted to the Revenue to make a mention to this Court to restore the appeal to be heard and decided on merits. No costs.

Sd/-
Assistant Registrar(CS-IV)

//True Copy//

Sub Assistant Registrar

To

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

2) The Commissioner of Income Tax (Appeals), Salem.

3) The Income Tax Officer, Ward 5, Namakkal.

4) The Principal Commissioner of Income Tax, Salem.

+1 cc to Mr.M.Swaminathan, Sr.Standing counsel, S.R.No.74/19

+1 cc to M/s.S.Surya Devi, Advocate, S.R.No.836/19

TCA.No.122 of 2018

SSD(CO)
SSM(13/02/2019)