IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 28.1.2020

CORAM

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

Tax Case (Appeal) No.1181 of 2010

The Commissioner of Income Tax
Chennai-34. ... Appellant

Vs.

N.Murugesan ... Respondent

Tax Case Appeal filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal, 'B' Bench, Chennai, dated 25.11.2005 made in ITA No.687/Mds/2001 against the O/o Commissioner of Income Tax (Appeals) Chennai 34 and made in IT/WT/GT/Appeal No. 8/2000-2001 dated 12.01.2001 and against the order of the Income Tax Officer, City Ward CII(14) Chennai 34 made in PAN. No. 7513/M order dated 28.03.2000 for the Assessment year 1997-98.

For Appellant : Mr.M.Swaminathan
Senior Standing Counsel assisted by
Ms.V.Pushpa

For Respondent : Mr.M.P.Senthilkumar for
Mr.Philip George

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, 'B' Bench, Chennai, dated 25.11.2005 made in ITA No.687/Mds/2001, for the Assessment Year 1997-1998, by raising the following substantial question of law:

"Whether in the facts and circumstances of the case, the Tribunal was right in holding that the addition on account of the bogus sundry creditors cannot be sustained on the ground that the Assessing Officer had not allowed the cross examination of the alleged creditors?"

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2. When the matter is taken up for hearing, learned Senior Standing Counsel brought to our notice the Circular instruction issued by the Central Board of Direct Taxes vide Circular No.17/2019 dated 8th August 2019, 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.1,00,00,000/- (Rupees One Crore).

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is said to be less than the monetary limit imposed and therefore, the Appeal filed by the Revenue is dismissed, as withdrawn, keeping open the substantial question of law for determination in appropriate cases. No costs.

s/d-
Assistant Registrar(CS VI)

True Copy

Sub-Assistant Registrar

ssk.
To

1. Commissioner of Income Tax
Chennai-34.

2. Income Tax Appellate Tribunal,
'B' Bench, Chennai.

3. The Income Tax officer
City Ward VII(14) Chennai 34.

+1 CC to Mr.M.Swaminathan, Advocate sr 6542.
+1 CC to M/s. Philp George, Advocate sr 5875.

सत्यमेव जयते

T.C.(A) No.1181 of 2010

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