IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 06.07.2020

CORAM

THE HON'BLE DR.JUSTICE VINEET KOTHARI
AND
THE HON'BLE MR.JUSTICE KRISHNAN RAMASAMY

Tax Case (Appeal) No.265 of 2011

Commissioner of Income Tax
Chennai ... Appellant/Respondents

vs.

K.H. Leather Industries Ltd.
829/1 Periyar EVR High Road,
Chennai 600010. ... Respondent/Appellants

Tax Case Appeal filed against the order of the Income Tax Appellate Tribunal Madras B Bench dated 5.1.2011 in ITA No. 532/Mds/09, against order of the Commissioner of Income Tax, Chennai C.No.218/CIT-I/56/263/2007-08, PAN No:AAACK2329K, Assessment year 2004-05, date of order 20/03/2009, against the order of the Income Tax Officer(OSD) Company Circle II(4), Chennai, PAN No:AACK1425C, Assessment year 2004-05 order dated 28/12/2006.

For Appellant : Mr. Rajesh
for Mr.Karthick Ranganathan

For respondent : Mr.S.Sridhar

JUDGMENT

(Delivered by DR.VINEET KOTHARI, J.)

The Court was held by Video Conference, as per the Resolution of the Full Court dated 3 July 2020, by Judges at the respective residence offices and the counsel, staff of the Court appearing from their respective residences.

2. 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, Madras B Bench dated 5.1.2011 in ITA No. 532/Mds/09, by raising the following substantial questions of law:

> "Whether on the facts and in the circumstances of the case, the Income Tax

Appellate Tribunal was right in quashing the order of the Commissioner of Income Tax u/s 263 of the Income Tax Act?"

3. When the matter is taken up for hearing, learned 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).

4. In the instant case, the tax effect is said to be less than the monetary limit imposed and therefore, the Appeals filed by the Revenue are dismissed as withdrawn, keeping open the substantial questions of law for determination in appropriate cases. No costs.

Sd/-
Assistant Registrar(CCC)

//True Copy//
Sub Assistant Registrar

kpl/tar

To

1.The Income Tax Appellate Tribunal 'B'Bench,
Chennai.

2.The Income Tax Officer(OSD),
Company Circle II(4), Chennai.

3.The Commissioner of Income Tax,
Chennai.

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PP(CO)
CB(10/03/2021)