IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 16.03.2020

CORAM

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

Tax Case (Appeal) No.2 of 2016

The Commissioner of Income Tax-II
Central IV,
Chennai. ...Appellant

Vs.

M/s.Tulsyan NEC Ltd
3, Apex Plaza, MG Road
Nungambakkam,
Chennai-34. ...Respondent

Tax Case Appeal filed under Section 260A of the Income Tax Act, 1961 against the common order of the Income Tax Appellate Tribunal 'B' Bench, Chennai dated 13.10.2010 in ITA No.1420/Mds/2009 against the order passed by the Commissioner of Income Tax(A)-1, Chennai dated 01/06/2009, made in ITA No.321/08-09 and against the Assessment order passed by the Asst.Commissioner of Income Tax, Central Circle IV(3), Chennai, dated 31/12/2008, made in AABCT3720E

For Appellant : Ms.K.G.Usha Rani
Junior Standing Counsel

For Respondent : Mr.V.S.Jayakumar

J U D G M E N T

(Judgment of the Court was 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, by raising the following substantial question of law:

" Whether on the facts and circumstances of the case, the Income Tax Tribunal was right in law in holding that disallowance of interest on loan for construction amounting to Rs.47,13,216/- was to be allowed for the assessment year 2003-04?”

2. When the matter was 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.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 cases, 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

//True Copy//

Sub Assistant Registrar

KST

To

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

2. The Commissioner of Income Tax(A)-1
Chennai.

3. The Assistant Commissioner of Income - Tax,
Central Circle IV(3)
Chennai.

+1cc to Mr.T.R.Senthil Kumar, Advocate, S.R.No.23079

T.C.(A) No.2 of 2016

EV(CO)
RN(27/05/2020)