IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 28.7.2020

CORAM

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

T.C.A.No.884 of 2017

Commissioner of Income Tax,
Corporate Circle 1, Madurai. Appellant

vs

M/s.Laxmi Selvaraj Tex Private Limited,
No.9/7B, Dindigul Road,
Vilangudi, Madurai 625 018.
PAN: AABCL 5470 H Respondent

Tax Case Appeal filed under Section 260-A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal, Madras 'C' Bench dated 31.5.2017 in in I.T.A.No.2271/Mds/2015 as against the order dated 18/09/2015 filed by the Commissioner of Income tax(Appeals) Madurai, in PAN.No.AABCL5470H for the assessment year 2010-2011, and as against the order dated 26/03/2013 filed by the Income Tax Officer, ward-I(2), Madurai.

For Appellant : Mr.M.Swaminathan,
Senior Standing Counsel

ORDER
(Made 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 their respective residences and the counsel, staff of the Court appearing from their respective residences.

2. This Tax Case has been filed by the Revenue, calling in question the correctness of the order passed by the Income Tax Appellate Tribunal, 'C' Bench dated 31.5.2017 in in I.T.A.No.2271/Mds/2015, for the Assessment Year 2010-2011, by raising the following substantial question of law:

"(i) Whether the Income Tax Appellate Tribunal is right in holding that the Assessee is entitled to carry forward the business losses to the subsequent Assessment Year when the Assessee has not filed his Return of income for the relevant Assessment Year within the time allowed under Section 139(1)?"

3. When the matter is taken up for hearing, learned Senior Standing Counsel brought to our notice the 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is said to be less than the monetary limit imposed and therefore, the Appeal filed by the Revenue is dismissed, as withdrawn, keeping open the substantial question of law for determination in appropriate cases. Copy of this order may be sent to the Respondent/Assessee. No costs.

-s/d-
Assistant Registrar

True Copy
Sub-Assistant Registrar

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To
1.The Commissioner of Income Tax,
Corporate Circle I Madurai

2.The Income Tax Appellate Tribunal Chennai

3.The Commissioner of Income Tax Appeals Madurai

4.The Income Tax Officer
Ward I(2) Madurai.

T.C.A.No.884 of 2017

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