IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 21.10.2024

CORAM

THE HON'BLE MR.JUSTICE R.SURESH KUMAR
AND
THE HON'BLE MR.JUSTICE C.SARAVANAN

Tax Case Appeal No.884 of 2015
and M.P.No.1 of 2015

The Commissioner of Income Tax
Company Circle III, Chennai. .... Appellant

Vs.

M/s.Tamil Nadu Small Industries
Corporation Ltd., Thiru.Vi.Ka.Industrial
Estate, Guindy, Chennai-32. .... Respondent

Tax Case Appeal filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal, 'C' Bench Chennai, dated 19.12.2014 made in I.T.A.No.1566/Mds/2014.

For Appellant : Mr.J.Narayanaswamy
Senior Standing Counsel

For Respondent : Mr.A.Thiyagarajan, Senior Counsel
for M/s.S.Ramesh Kumar

J U D G M E N T

(Delivered by R.SURESH KUMAR, 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, Chennai by raising the following substantial questions of law:

1. *Whether on the facts and circumstances of the case, the Income Tax Appellate Tribunal was right in holding that provision for leave salary is allowable expenditure even though it is not actually paid before the due date of filing the return of income which is against the Section 43B(f)?*
2. *Whether on the facts and circumstances of the case, the Income Tax Appellate Tribunal was right in ignoring that the Section 43B(f) was only introduced in the Finance Act 2001 which came into effect from 01.04.2022?*

2. It is brought to our notice by the learned Standing Counsel for the appellant Revenue that in the instant case, as per the CBDT's Circular No.9 of 2024 dated 17.09.2024 the tax effect is said to be less than the monetary limit imposed and therefore, the appeal can be disposed of, keeping the substantial questions of law raised in this appeal open for adjudication at a later point of time.

3. Recording the aforesaid submission made by the learned Standing Counsel for the appellant Revenue, this Tax Case Appeal is dismissed for low tax effect, keeping open the substantial questions of law for adjudication at appropriate stage. No costs. Consequently, connected miscellaneous petition is closed.

(R.S.K.,J.) **(C.S.N.,J.)**
21.10.2024

NCS : Yes/No 1/2
KST

To

The Income Tax Appellate Tribunal
'C' Bench, Chennai.

R.SURESH KUMAR, J.

AND
C.SARAVANAN, J.

KST

T.C.A.No.884 of 2015

21.10.2024