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TC NO. 1150 of 2008



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 10-02-2025

CORAM

**THE HONOURABLE MR JUSTICE S. S. SUNDAR**

**AND**

**THE HONOURABLE MR JUSTICE C. SARAVANAN**

**TC NO. 1150 of 2008**

The Commissioner Of  
Income Tax, Chennai.

Appellant(s)

Vs

M/s.R.K.Swamy Bbdo Pvt Ltd  
No.604, Anna Salai, Chennai-6.

Respondent(s)

**For Appellant(s):**

Mr.J.Narayanasamy, Sr Standing Counsel

**For Respondent(s):**

Mr.A.S.Sriraman

For M/s.S.Sridhar

For Sole Respondent

### **JUDGMENT**

**S.S.SUNDAR, J.**

**AND**

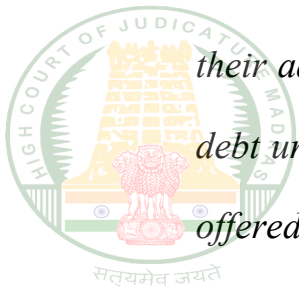
**C.SARAVANAN, J.**

In the present case, the following substantial questions of law have been framed by this

Court:

*1. Whether on the facts and in the circumstances of the case, the Tribunal was*

*right in holding that the amounts not received from the customers for placing*



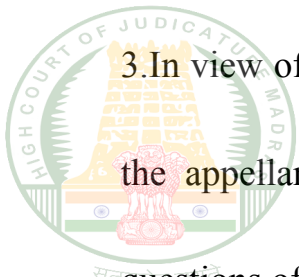
*their advertisements in the press and electronic media could be treated as debt under section 36(2)(i) of the Income Tax, even though such amount was not offered as income during any previous year?*

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*2. Whether on the facts and in the circumstances of the case, the Tribunal was right in holding that the amounts not received from the customers for placing their advertisements in the press and electronic media could be treated as a trading loss under Section 37 of the Act?*

*3. Whether on the facts and in the circumstances of the case, the Tribunal was right in holding that the amount paid to the former managing director as a non complete fee is a revenue expenditure?*

2. Now, it is reported that this appeal can be dismissed as withdrawn as per the circulars issued by the Government of India, Ministry of Finance, Department of Revenue, Central Board of Direct Taxes in Circular No.3/2018 dated 11.07.2018 and Circular No.17/2019 dated 08.08.2017 and Board's letter in F.No.279/Mis.142/2007-ITJ (Pt) dated 20.08.2018 respectively.



3. In view of the aforesaid submissions made by the learned senior standing counsel

the appellant, the appeal stands dismissed as withdrawn. However, the substantial

questions of law are left open to be answered at an appropriate appeal. No costs.

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**(S.S.SUNDAR J.) (C.SARAVANAN J.)**  
**10-02-2025**

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Index : Yes / No

Neutral Citation

To

1. M/s.R.K.Swamy Bbdo Pvt Ltd  
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