IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 27.09.2016

CORAM:

THE HONOURABLE MR.JUSTICE NOOTY.RAMAMOHANA RAO
and
THE HONOURABLE DR.JUSTICE P.DEVADASS

T.C.A.No.683 of 2016

Principal Commissioner of Income Tax-I,
No.63, Race Course Road,
Coimbatore. ...Appellant

Vs.

M/s.Lakshminarayan Gaurishankar
Enterprises Pvt. Ltd.,
No.2201, Balaji Gardens,
Coimbatore-641 007.
PAN: AAA CL 3739 L ...Respondent

Tax Case Appeal filed under Section 260-A of the Income Tax Act against the order, dated 24.02.2016 in I.T.A.No. 1962/Mds/2015 on the file of the Income Tax Appellate Tribunal, B-Bench, Chennai, arising against the order of the Commissioner of Income Tax (Appeals) I, Coimbatore, dated 15.06.2015 relevant to the assessment year 2012-13, against assessment order dated 19.02.2015, by Deputy Commissioner of Incomet Tax Corporate Circle-2, Coimbatore.

For appellant : Mr.T.R.Senthil Kumar,
Standing Counsel for Income Tax Dept.

For respondent : Mr.Vijayaraghavan

JUDGMENT

(The Judgment of the Court was delivered by Nooty.Ramamohana Rao,J)

Mr.Vijayaraghavan, learned counsel takes notice for the respondent-assessee and commends for accepting the reasonings adopted by a Division Bench of this Court in the case of

Velayudhaswamy Spinning Mills (P) Ltd. Vs. Assistant Commissioner of Income Tax, reported in 2012 (21) Taxmann.com 95 (Madras) = 2012 (340) ITR 0477 = 2010 (231) CTR 0368 (Madras), which in turn subscribed to the same view of the Rajasthan High Court in the case of CIT Vs. Mewar Oil and General Mills Ltd., reported in 2004 (186) CTR (Raj) 141 = 2004 (271) ITR 311 (Raj) on the same subject and after perusing the said judgment of this Court in the case of Velayudhaswamy Spinning Mills (P) Ltd., we are of the opinion that the view taken by this Court is correct and we also draw the comfort from the fact that the Special Leave Petition preferred by the Revenue against the judgment rendered by this Court in Velayudhaswamy Spinning Mills (P) Ltd., bearing S.L.P.No.33475 of 2012, etc., (Assistant Commissioner of Income Tax, Tirupur Vs. M/s.Velayudhaswamy Spinning Mills P. Ltd), has since been dismissed by the Supreme Court on 05.09.2016, no doubt, without assigning any reasons therefor, but the Supreme Court has simply not found any warrant for interference with the said judgment of this Court in the case of Velayudhaswamy Spinning Mills (P) Ltd. Hence, we prefer to follow the reasonings contained in the said judgment of this Court in the case of Velayudhaswamy Spinning Mills (P) Ltd., and dismiss this appeal preferred by the Revenue, at the admission stage itself, but however, without costs.

Sd/-
Assistant Registrar

//True Copy//

Sub Assistant Registrar

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Copy to

1. Principal Commissioner of Income Tax-I,
   No.63, Race Course Road,
   Coimbatore.

2. The Deputy Commissioner of Income Tax
   Corporate Circle-2, Coimbatore.

3. The Commissioner of Income Tax (Appeals-I), Coimbatore.

4. The Registrar,
Income Tax Appellate Tribunal, "B" Bench,
Chennai.

+1CC to M/s. Subbaraya Iyer, Advocate, SR 55485

+1CC to M/s. T.R.Senthil Kumar, Advocate, SR 55482

T.C.A.No.683 of 2016

SM (CO)
PSI 12/11/2016