IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 22.08.2019

CORAM

THE HONOURABLE MR.JUSTICE T.S.SIVAGNANAM
and
THE HONOURABLE MRS.JUSTICE V.BHAVANI SUBBAROYAN

Tax Case Appeal Nos.382 to 385 of 2013

Commissioner of Income Tax-I,
2, V.P.Ratnasamy Road,
Madurai-625 002. .. Appellant/Appellant in all Appeals

-vs-

PSN Educational and Charitable Trust,
No.2, Court Road, Nagerkoil-629 001.
PAN: AAA PP 4096 R .. Respondent/Respondent in all Appeals

Appeals under Section 260A of the Income-tax Act, 1961, against the common order dated 29.06.2012, on the file of the Income-tax Appellate Tribunal 'D' Bench, Chennai, in I.T.A.Nos.1848, 1852, 1853 &1854/Mds/2010 for the assessment years 2002-03, 2006-07, 2007-08 and 2008-09 respectively against the Common Appellate Order passed by the Commissioner of Income Tax (Appeals)-II, Madurai,dated 01.07.2010 made in PA.No.AAATP 4096 R, and against the Assistant Commissioner of Income Tax Central Circle-I, Madurai, dated 30.12.2009, made in PAN/GIR No.AAA TP4096 R for the Assessment Year 2002-03, 2006-07,

For Appellant : Mr.T.R.Senthil Kumar,
(In all Appeals) Senior Standing Counsel
: assisted by Ms.K.G.Usharani,
Junior Standing Counsel

For Respondent : Mr.K.Ravi
(In all Appeals)

COMMON JUDGMENT
(Delivered by T.S.Sivagnanam, J.)

These appeals filed by the appellant/Revenue under Section 260A of the Income-tax Act, 1961, are directed against the common order dated 29.06.2012, passed by the Income-tax

Appellate Tribunal 'D' Bench, Chennai, in I.T.A.Nos.1848, 1852, 1853 &1854/Mds/2010 for the assessment years 2002-03, 2006-07, 2007-08 and 2008-09 respectively.

2.The above appeals were admitted, on 04.11.2013, on the following substantial questions of law:-

> "(i) Whether on the facts and in the circumstances of the case the Income Tax Appellate Tribunal was right in deleting the addition of Rs.35,69,000/- on account of credits in the name of non-teaching staffs, without providing opportunity to the Assessing Officer to verify whether the amount was donation to the Trust?
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> (ii) Whether on the facts and in the circumstances of the case, the Appellate Tribunal was right in deleting the unexplained cash deposit of Rs.93,84,943/- with City Union Bank without providing opportunity to the Assessing Officer to verify whether the assessee trust had sufficient cash balance on the dates for making fixed deposits?
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> (iii) Whether on the facts and in the circumstances of the case, the Appellate Tribunal was right in deleting the unexplained cash deposit of Rs.86,18,131/- with City Union Bank without providing opportunity to the Assessing Officer to verify whether the assessee trust had sufficient cash balance on the dates for making fixed deposits?
>
> (iv) Whether on the facts and in the circumstances of the case, the Appellate Tribunal was right in deleting the unexplained cash deposit of Rs.34,03,803/- with City Union Bank without providing opportunity to the Assessing Officer to verify whether the assessee trust had sufficient cash balance on the dates for making fixed deposits?
>
> (v) Whether on the facts and in the circumstances of the case, the Appellate Tribunal was right in deleting the unexplained cash deposit of Rs.34,03,803/- with City Union Bank without providing opportunity to the Assessing Officer to verify whether the assessee trust had sufficient cash balance on the dates for making fixed deposits?"

3.Heard Mr.T.R.Senthil Kumar, learned Senior Standing Counsel assisted by Ms.K.G.Usharani, learned Junior Standing Counsel for the appellant and Mr.K.Ravi, learned counsel for the respondent.

4.The learned Senior Standing Counsel for the appellant submits that the above appeals are not pursued by the Revenue on account of the low tax effect in terms of Circular No.17/2019, dated 08.08.2019 issued by the Central Board of Direct Taxes. By the said Circular, the monetary limit for filing or pursuing an appeal before the High Court has been increased to Rs.1 Crore. It is further submitted that the tax effect in this case is less than the threshold limit.

5.In the light of the said submissions, the above tax case appeals are dismissed on account of the low tax effect. The substantial questions of law framed are left open. In the event the tax effect is above the threshold limit fixed in the said circular, liberty is granted to the Revenue to make a mention to this Court to restore the appeals to be heard and decided on merits. No costs.

abr

Sd/-
Assistant Registrar

//True Copy//

Sub Assistant Registrar

To

1.The Assistant Commissioner of Income tax,
Central Circle-I, Madurai.

2.The Commissioner of Income Tax (Appeals)-II,
Madurai.

3.The Income-tax Appellate Tribunal
'D' Bench, Chennai.

+1cc to Mr.T.R.Senthil Kumar, Advocate, SR.No.72311
+1cc to Mr.K.Ravi, Advocate, SR.No.73225

T.C.A.Nos.382 to 385 of 2013

Kak(16/10/2019)