In the High Court of Judicature at Madras

Dated : 21.8.2019

Coram :

The Honourable Mr.Justice T.S.SIVAGNANAM

and

The Honourable Mrs.Justice V.BHAVANI SUBBAROYAN

Tax Case Appeal Nos.945 to 948 of 2013

The Commissioner of Income Tax,
Central Circle, Chennai ...Appellant/Appellant

Vs

M/s.Sri Renga Enterprises, Trichy-2. ...Respondent /Respondent

APPEALS under Section 260A of the Income Tax Act, 1961 against the common order dated 23.12.2011 made in ITA.Nos.505 to 507 and 1289/ Mds/2010 on the file of the Income Tax Appellate Tribunal, Chennai 'A' Bench respectively for the assessment years from 2004-05 to 2007-08, against the order dated 12/04/2010 made in ITA.NO.186/09-10 on the file of the Commissioner of Income Tax(Appeals)-II, Chennai 34 for the Assessment year 2007-2008 and against the order dated 07/01/2010 made in ITA.NOS.124 to 126/08-09 on the file of the Commissioner of Income Tax(Appeals)-II, Chennai 600 034 for the Assessment year 2004-05, 2005-06 & 2006-07 and against the order dated 31/12/2009 made in PAN/GIR.NO. AAWFS5391J on the file of the Assistant Commissioner of Income Tax, Central Circle II(2), Chennai 34 for the Assessment year 2007-08 and against the order dated 24/12/2008 made in PAN/GIR.NO.AAWFS5391J on the file of the Deputy Commissioner of Income Tax, Central Circle II(2), Chennai 34 for the Assessment year 2006-07 and against the order dated 24/12/2008 made in PAN/GIR.NO.AAWFS5391J on the file of the Deputy Commissioner of Income Tax, Central Circle II(2), Chennai 34 for the Assessment year 2005-06 and against the order dated 24/12/2008 made in PAN/GIR.NO.AAWFS5391J on the file of the Deputy Commissioner of Income Tax, Central Circle II(2), Chennai.

For Appellant : Mr.T.R.Senthilkumar, SSC assisted by Ms.K.G.Usharani, SC
For Respondent: Mr.A.S.Sriraman

COMMON JUDGMENT

(Judgment was delivered by T.S.Sivagnanam,J)

We have heard Mr.T.R.Senthilkumar, learned Senior Standing Counsel assisted by Ms.K.G.Usharani, learned Standing Counsel appearing for the appellant - Revenue and Mr.A.S.Sriraman, learned counsel appearing for the respondent - assessee.

2. These appeals, filed by the Revenue under Section 260A of the Income Tax Act, 1961, are directed against the common order dated 23.12.2011 made in ITA.Nos.505 to 507 and 1289/Mds/2010 on the file of the Income Tax Appellate Tribunal, Chennai 'A' Bench respectively for the assessment years from 2004-05 to 2007-08.

3. The appeals were admitted on 17.4.2014 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 coming to the conclusion that the books of accounts that is the purchase account were not rejected by the Assessing Officer hence tinkering of the same is not permissible ? and
>
> ii. Whether, on the facts and in the circumstances of the case, the Tribunal was right in deleting the addition of Rs.45,68,346/-, which is 8% of the total wastages sustained by the Assessing Officer when compared to the claim of wastage by the assessee @ 32% for the assessment year 2007-08 ?"

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 08.8.2019 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 the respective cases 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 in the respective cases 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.

Sd/-
Assistant Registrar(CS IV)

//True Copy//

Sub Assistant Registrar

To

1.The Income Tax Appellate Tribunal, Chennai 'A' Bench.

2.The Commissioner of Income Tax(Appeals)II, Chennai 34

3.The Assistant Commissioner of Income Tax,
Central Circle II(2), Chennai 34.

4.The Deputy Commissioner of Income Tax,
Central Circle II(2),
Chennai 34

+1cc to Mr.S.Sridhar, Advocate sr.71121
+1cc to Mr.T.R.Senthilkumar, Advocate sr.71732

TCA.Nos.945 to 948 of 2013

sr(co)
nr 14/11/2019