IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 04.02.2020

CORAM :

THE HONOURABLE MR.JUSTICE N.KIRUBAKARAN
and
THE HONOURABLE MR.JUSTICE P.VELMURUGAN

T.C.A.Nos.57 to 63 of 2020
and
C.M.P.Nos.1973 to 1977 & 1979 of 2020

Principal Commissioner of Income Tax Central 2,
No.108, Mahatma Gandhi Road,
Chennai 600 034. ... Appellant in all appeals

Vs

M/s.RMG Benefit Fund Ltd.,
No.38, Jeenis Road, Saidapet,
Chennai - 620 015.
PAN: AAACR 5172 K ...Respondent in all appeals

COMMON PRAYER: Tax Case Appeals filed under Section 260A of Income Tax Act, 1961 against the order dated 14.06.2018 in I.T.A.Nos.634,629,630,633,631,628,632/Chny/2018 on the file of the Income Tax Appellate Tribunal 'C' Bench, Chennai for the assessment year 2014-2015, 2009-2010, 2010-2011, 2013-2014, 2011-2012, 2008-2009, 2012-2013 respectively

against the order dated 20.12.2017 in ITA Nos.50/17-18, and ITA Nos.47, 46, 45, 48, 49 and 51/17-18 on the file of the Commissioner of Income Tax (Appeals)18, 46 Mahatma Gandhi Road, Nungambakkam Chennai-34 for the Assessment Years 2008-2009 to 2014-15 against the order dated 23316 in G.I.No/PA No.AAACR5172K on the file of the Deputy Commissioner of Income Tax Central Circle 2(1), Investigation Wing Room No.122 1st Floor New No.46, MG Road, Chennaiu-34 for the Assessment Year 2008-09.

For Appellant : Mr.T.R.Senthil Kumar,
Senior Standing Counsel.

For Respondent : Mr.M.P.Senthil Kumar.

C O M M O N   J U D G M E N T

(Judgment of the Court was delivered by N.KIRUBAKARAN, J)

These tax case appeals have been filed against the order of the Income Tax Appellate Tribunal dated 14.06.2018 in I.T.A.Nos.628 to 634/Chny/2018 in allowing the appeals filed by the assessee against the order of the Commissioner of Income Tax (Appeals), Chennai in which the appeal filed by the assessee was partly allowed.

2.Heard Mr.T.R.Senthil Kumar, learned Senior Standing Counsel for the appellant and Mr.M.P.Senthil Kumar, learned Counsel for the respondent.

3.These tax case appeals are admitted on the following substantial questions of law:

> "(i)Whether on the facts and in the circumstances of the case, the ITAT was right in law in holding that there is no violation of 269SS read with Section 271D of the Income Tax Act, 1961?
>
> (ii)Whether on the facts of the case, the Tribunal was correct in not appreciating that the two trusts which made the cash deposits have bank accounts operating in their names and therefore, the assessee cannot be heard to say that the amounts paid in cash during late hours, by students studying in the institutions of the trusts, got deposited in cash with the assessee-company?
>
> (iii)Whether the ITAT was justified in following the jurisdictional High Court's Judgment in the case of CIT Vs. idhayam Publications Ltd., (285 ITR 221) which is clearly distinguishable on facts involved in the present case?
>
> (iv)Whether on the facts and in the circumstances of the case, the Hon'ble Tribunal was right in law in not appreciating that there was a time span of six years involved in the relied upon case of M.Srinivasa Rao V.ACIT (295 ITR 136), whereas, in the instant case, the Assessing Officer referred the violation under Section 269SS to the Additional CIT within a span of six months from the date of assessment order and therefore, the relied upon decision will not apply to the facts of the case on hand?
>
> (v)Whether on the facts and circumstances of the case, the Hon'ble ITAT was correct in not considering the Hon'ble Kerala High Court's decision in the case of Grihalaxmi Vision Vs.Addl. CIT (379 ITR 100) which squarely applies to the present case?"

4. Mr.T.R.Senthil Kumar, learned Senior Standing Counsel appearing on behalf of the appellant would submit that the tax effect in this case is less than Rs.1 crore and is covered by Circular No.17/2019 dated 08.08.2019 issued by the Director, Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, Government of India, Delhi. As per the said circular, the monetary limit to file an appeal before the High Court is fixed at Rs.1 crore. In this case, tax effect is less than Rs.1 crore and therefore, the appeals have to be dismissed.

5.This Court perused the circular dated 08.08.2019 and Paragraph No.2 of the Circular, which prescribes monetary limit for filing appeal. Paragraph No.2 is usefully extracted as follows:

> "2.As a step towards further management of litigation, it has been decided by the Board that monetary limits for filing of appeals in income-tax cases be enhanced further through amendment in Para 3 of the Circular mentioned above and accordingly, the table for monetary limits specified in Para 3 of the Circular shall read as follows:

S.No.	Appeals / SLPs in Income-tax matters	Monetary Limit (Rs.)
1.	Before Appeallate Tribunal	50,00,000
2.	Before High Court	1,00,00,000
3.	Before Supreme Court	2,00,00,000"

6.In view of the submissions made by the learned counsel appearing on behalf of the appellant and also in view of the Circular No.17/2019 dated 08.08.2019 issued by the Director, Central Board of Direct Taxes, Delhi, these Tax Case Appeals are dismissed on account of tax effect. However, the substantial questions of law framed are left open. In the event the tax effect is above the 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. Consequently, connected miscellaneous petitions are closed.

Sd/-
Assistant Registrar(CS III)

//True Copy//

Sub Assistant Registrar

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To

1.The Principal Commissioner of Income Tax Central 2,
No.108, Mahatma Gandhi Road,
Chennai 600 034.

2.The Income Tax Appellate Tribunal 'C' Bench,
Chenani.

3.The Commissioner of Income Tax (Appeals)18,
46, Mahatma Gandhi Road, Nungambakkam, Chennai-34.

4.The Deputy commissioner of Income Tax
Central Circle 2(1),
Investigation Wing Room No.122 1st Floor New No.46, MG Road,
Chennai-34.

T.C.A.Nos.57 to 63 of 2018
and
C.M.P.Nos.1973 to 1977 & 1979 of 2020

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