IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 26.08.2019

CORAM

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

Tax Case Appeal Nos.431 and 432 of 2014

Commissioner of Income Tax,
Central Circle, Chennai. ... Appellant in both Appeals

-vs-

Shri N.Madanlal Daga (HUF),
By Karta Sri Madanlal Daga,
70, GNT Road, Red Hills,
Chennai-600 052.
PAN: AAAHM1838E ... Respondent in both Appeals

APPEALS under Section 260A of the Income Tax Act, 1961 against the common order dated 13.06.2013, made in I.T.A.Nos.995 & 1000/Mds/2009 on the file of the Income Tax Appellate Tribunal 'B' Bench, Chennai for the assessment years 2000-2001 and 2005-2006 respectively,

as against the order of the Commissioner of Income -Tax (Appeals)-I, Magatma Gandhi Road, Nungambakkam, Chennai 600 034 made in ITA Nos.259/07-08 and 264/07-08 dated 18/03/2009 in respectively as against the order of the Assistant Commissioner of Income Tax Central Circle-IV (2) Chennai in PAN GIR Nos.AAAHM1838E dated 28/12/2007 for the Assessment Year 2000-2001 and 2005-2006 respectively in TCA Nos.431 and 432 of 2014.

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For Appellant : Mr.T.R.Senthil Kumar,
(In both Appeals) Senior Standing Counsel

: assisted by Ms.K.G.Usharani,
Standing Counsel

For Respondent : Ms.Sree Lakshmi Valli
(In both Appeals) For Mr.N.Muthukumar

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COMMON JUDGMENT

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

These appeals filed by the Revenue under Section 260A of the Income-tax Act, 1961 are directed against the common order dated 13.06.2013, made in I.T.A.Nos.995 & 1000/Mds/2009 on the file of the Income Tax Appellate Tribunal 'B' Bench, Chennai for the assessment years 2000-2001 and 2005-2006 respectively.

2.The appeals were admitted on 08.12.2014, on the following substantial questions of law:-

> "T.C.A.No.431 of 2014:-
>
> (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.74,45,523/- when the assessee was unable to produce any evidence with regard to sundry debtors?
>
> (ii) Whether on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in deleting the addition of Rs.74,45,523/- which was opening balance in Sahukari Byaj business which was not disclosed by the assessee to the department even prior to assessment year 2000-2001?
>
> T.C.A.No.432 of 2014:-
>
> (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.95,48,810/- for the assessment year 2005-06 treating the same that the assessee has admitted the same for the assessment year 2006-07?
>
> (ii) Whether on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in deleting the excess stock found at the time of search amounting to Rs.95,48,810/- not to be taxed in the assessment year 2005-2006 when the assessee had filed a notarized affidavit admitting as unexplained investment in stock of gold and silver during the search?"

3.Heard Mr.T.R.Senthil Kumar, learned Senior Standing Counsel assisted by Ms.K.G.Usharani, learned Standing Counsel for the appellant - and Ms.Sree Lakshmi Valli, learned counsel for Mr.N.Muthukumar, learned counsel for the respondent.

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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.

Sd/-
Assistant Registrar

//True Copy//

Sub Assistant Registrar

abr

To

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

2.The Commissioner of Income Tax (Appeals)-I,
46 Mahatma Gandhi Road, Nungambakkam,
Chennai-600 034.

3.The Assistant Commissioner of Income Tax,
Central Circle-IV(2),
Chennai.

+1cc to M/s.Sree Lakshmi Valli, Advocate Sr.73050
+1cc to Mr.T.R.Senthilkumar, Advocate Sr.72918

T.C.A.Nos.431 and 432 of 2014

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