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.789 to 793 of 2014

The Commissioner of Income Tax,
Chennai. .. Appellant in all Appeals

-vs-

M/s.Chennai Hotels (India) Pvt. Ltd.,
103, Ashok Nagar Main Road,
Kodambakkam, Chennai. .. Respondent in all Appeals

APPEALS under Section 260A of the Income Tax Act, 1961 against the common order dated 05.10.2012, made in I.T.A.Nos.1000 to 1004/Mds/2012 on the file of the Income Tax Appellate Tribunal 'B' Bench, Chennai for the assessment years 2001-02 to 2005-06 respectively against the Order of the Commissioner of Income Tax Chennai -34, made in C.No.218(1) CIT-1/263/2011-12, C.No.218(2)/CIT-1/263/2011-12, C.No.218(3)/ CIT-1/263/2011-12, C.No.218(4)CIT-1/263/2011-12, C.No.218(5)CIT-1/263/2011-12,respectively dated 27.03.2012 and against the Order of the Assistant Commissioner of Income Tax,Company Circle-I (3) Chennai -34, made in GIR/PAN.No.AABCC5173 F dated 02.12.2008 for the Assessment Years 2001-02 to 2005-06 respectively.

For Appellant : Mr.T.Ravikumar,
(In all Appeals) Senior Standing Counsel

For Respondent : Mr.N.V.Balaji
(In all Appeals)

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 05.10.2012, made in I.T.A.Nos.1000 to 1004/Mds/2012 on the file of the Income Tax Appellate Tribunal 'B' Bench, Chennai for the assessment years 2001-02 to 2005-06 respectively.

2.The above appeals were admitted on 30.10.2014, on the following substantial questions of law:-

> "(i) Whether on the facts and in the circumstances of the case, the Tribunal was justified in dropping the penalty proceedings as envisaged under Section 271(1)(c) of the Income Tax Act in a clear case of suppression of income by the assessee admitted in the course of survey?
>
> (ii) Whether on the facts and in the circumstances of the case, the Tribunal was right in setting aside the order of the Commissioner of Income Tax passed under Section 263 of the Act?"

3.Heard Mr.T.Ravikumar, learned Senior Standing Counsel for the appellant and Mr.N.V.Balaji, 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(CS VI)

//True Copy//

Sub Assistant Registrar

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

2. The Commissioner of Income Tax
Chennai -34,

3. The Assistant Commissioner of Income Tax
Company Circle-I (3) Chennai.

+1cc to Mr.T.Ravi Kumar, Advocate, SR.No.72364

T.C.A.Nos.789 to 793 of 2014

Kak(05/11/2019)