IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 09.12.2019

CORAM:

THE HON'BLE DR. JUSTICE VINEET KOTHARI
and
THE HON'BLE MR. JUSTICE R.SURESH KUMAR

T.C.(A).No.288 of 2017

Principal Commissioner of Income Tax I
No.108 Mahatma Gandhi Road,
Chennai-600 034. ... Appellant

..Vs..

Shri. Saravana Arul ... Respondent

Prayer: Tax Cases (Appeal) are filed under Section 260-A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Chennai 'B' Bench, dated 15.07.2016 passed in I.T.A.No.356/Mds/2016 for Assessment Year 2012-2013 against the Commissioner of Income Tax Appeals - 18, Chennai - 600 034 and made in ITA No.291/13-14 Assessment year 2012-13, dated 23.09.2015 against the Assistant Commissioner of Income - Tax Central Circle IV (2), Chennai - 600 034 and made in PAN No.AOFPS1937M for the Assessment year 2012-13, dated 29.03.2014.

For Appellant : Mr.T.R.Senthil Kumar

For Respondent : Mr.R.Sivaraman

J U D G M E N T

(Delivered by DR.VINEET KOTHARI, J.)

This Tax Case Appeal has been filed by the Revenue calling in question the correctness of the order passed by the Income Tax Appellate Tribunal Madras 'B' Bench, Chennai, dated 05.07.2016, in I.T.A.No./356/Mds/2016 by raising the following substantial questions of law:

"1. Whether on the facts and circumstances of the case and in law, the Appellate Tribunal is correct in considering the submission of the assessee, made about 3 years after search, the excess jewellery found in his case includes jewellery declared by his mother under Voluntary Disclosure Income Scheme (VDIS), which was against the own submission made by the assessee during the course of search proceedings?

2. Whether on the facts and in the circumstances of the case and in law, the Appellate Tribunal is correct in considering the jewellery declared by the mother of the assessee under Voluntary Disclosure Income of Scheme, while computing the excess jewellery possessed by the assessee?"

2. When the matter is taken up for hearing, learned Standing Counsel for the Department brought to our notice the Circular instruction issued by the Central Board of Direct Taxes vide Circular No.17/2019, dated 8th August,2019, wherein, it is stipulated that appeals shall not be filed/pursued by the Department before the High Court in cases where the tax effect does not exceed Rs.1,00,00,000/- (Rupees One Crore).

3. In the instant case, the tax effect is said to be less than the monetary limit imposed and, therefore, the Appeal filed by the Revenue is dismissed, as not pressed, keeping open the substantial questions of law for determination in appropriate cases. No costs.

Sd/-
Assistant Registrar (MD)

//True Copy//

Sub Assistant Registrar

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To

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

2. The Commissioner of Income Tax,
Appeals - 18,
Chennai - 600 034.

3. The Assistant Commissioner of Income Tax
   Central Circle IV (2),
   Room No.121, New Building
   No.46, Old No.108,
   Mahatma Gandhi Road,
   Chennai - 600 034.

4. The Principal Commissioner of Income Tax - I,
   No.108, Mahatma Gandhi Road,
   Chennai - 600 034.

+1cc to Mr.R.Sivaraman, Advocate, S.R.No.102651.

T.C.A.No.288 of 2017

JP(CO)

VSI-2(29.05.2020)