IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 29.08.2019

CORAM

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

Tax Case Appeal Nos.560 and 561 of 2017
and
C.M.P.No.13961 of 2017

Principal Commissioner of Income Tax 3,
No.63, Race Course Road,
Coimbatore. .. Appellant in both Appeals

-vs-

Shri.R.Krishnamoorthy,
69, Karumarampalayam,
Uthukuli Main Road, Mannarai P.O.,
Tirupur-641 607.
PAN: AGE PR 2757 B .. Respondent in both Appeals

Appeals under Section 260A of the Income-tax Act, 1961, against the common order dated 09.11.2016, made in I.T.A.Nos.1599 & 2005/Mds/2015 on the file of the Income Tax Appellate Tribunal 'B' Bench, Chennai for the assessment year 2011-12.

against the order dated 3113/2015 in ITA.No. 83/2014-15 on the file of the Commissioner of Income Tax (Appeals)-3, Coimbatore.

Against the order date 26/03/2014 made in PAN AGE PR 2757 B on the file of the Joint Commissioner of Income Tax, Tiruppur Range, Tiruppur to te Assessment Year 2011-12.

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

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

For Respondent (In both Appeals) : Mr.K.Surendar

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 09.11.2016, made in I.T.A.Nos.1599 & 2005/Mds/2015 on the file of the Income Tax Appellate Tribunal 'B' Bench, Chennai for the assessment year 2011-12.

2.The appeals were admitted on 31.10.2017, on the following substantial questions of law:-

> "(i) Whether on the facts and circumstances of the case, the Tribunal was right in upholding the order of CIT(A), who deleted Rs.16 lakhs being cash credit, without appreciating that the CIT(A) has not called for a Remand Report from the Assessing Officer and thus violating Rule 46A of the Income Tax Rules?
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> (ii) Whether, in the facts and circumstances of the case and in law, the Appellate Tribunal is correct in deleting the addition of Rs.97,00,000/- being trade advances, even though the liability has been carried forward for years in the books, the assessee had not been able to provide confirmation from creditors? and
>
> (iii) Whether, in the facts and circumstances of the case and in law, the Appellate Tribunal is correct in deleting the addition of Rs.97,00,000/- being trade advances, when the assessee vide its letter dated 17.03.2014 requested further time to get the details/confirmations from the creditors and never produced any evidence before the two appellate authorities?"

3.Heard Mr.T.R.Senthil Kumar, learned Senior Standing Counsel assisted by Ms.K.G.Usharani, learned Standing Counsel for the appellant - and Mr.K.Surendar, 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. Consequently, connected civil miscellaneous petition is closed.

Sd/-

Assistant Registrar (CCC)

//True Copy//

Sub Assistant Registrar

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To

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

2.The Commissioner of Income Tax (Appeals) - 3,
Coimbatore.

3.The Joint Commissioner of Income Tax,
Tiruppur Range, Tiruppur.

+1cc to Mr.T.R.Senthil Kumar, Advocate, S.R.No. 75125

T.C.A.Nos.560 and 561 of 2017

RSV(CO)
GN(13/11/2019)