IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 15.6.2020

CORAM :

THE HONOURABLE MR.JUSTICE T.S.SIVAGNANAM
AND
THE HONOURABLE MRS.JUSTICE PUSHPA SATHYANARAYANA

TAX CASE APPEAL NOS.1341 & 1342 OF 2010

Commissioner of Income
Tax-I, Coimbatore ...Appellant

Vs

M/s.Lakshmi Industries,
Coimbatore ...Respondent

APPEALS under Section 260A of the Income Tax Act, 1961 against the common order dated 09.4.2010 made respectively in IT (SS)A.Nos.119 and 138/Mds/2005 on the file of the Income Tax Appellate Tribunal, Chennai 'D' Bench respectively for the block periods 05.4.1995 to 29.7.1999 and 01.4.1989 to 29.7.1999 Appeal filed against the order of the Commissioner of Income Tax (Appeals)I, Coimbatore in Appeal No. 156/2001-2002 P.A. No. L6314 against the Assessment order for the Assessment year 05.04.1995 to 29.07.1999,01.04.1989 to 29.07.1999 on the file of Deputy Commissioner of Income Tax, Special Investigation Circle II, Coimbatore.

For Appellant: Mr.T.R.Senthilkumar,
SSC assisted by
Ms.K.G.Usharani, SC

For Respondent:No appearance

COMMON JUDGMENT
(Judgment was delivered by T.S.Sivagnanam,J)

We have heard Mr.T.R.Senthilkumar, learned Senior Standing Counsel assisted by Ms.K.G.Usharani, learned Standing Counsel appearing for the appellant - Revenue.

2. These appeals, filed by the Revenue under Section 260A of the Income Tax Act, 1961, are directed against the common order dated 09.4.2010 made respectively in IT(SS)A.Nos.119 and 138/Mds/2005 on the file of the Income Tax Appellate Tribunal, Chennai 'D' Bench respectively for the block periods 05.4.1995 to 29.7.1999 and 01.4.1989 to 29.7.1999.

3. The appeals were admitted on 25.1.2011 on the following substantial question of law :

> "Whether, on the facts and circumstances of the case, the Appellate Tribunal was right in holding that the proceedings initiated by the Assessing Officer under Section 158BC was null and void and accordingly, annulled the block assessment even though the issue of notice under Section 158BC is merely an act within the jurisdiction of the Assessing Officer to assess the undisclosed income and hence, any error in issuing such notice will not render the undisclosed income and hence, any error in issuing such notice will not render the entire proceedings invalid, such errors are rectifiable under Section 292B of the Act ?"

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 08.8.2019 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 the respective cases 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 question of law framed is left open. In the event the tax effect in the respective cases 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.

-s/d-
Assistant Registrar

True Copy

Sub-Assistant Registrar



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

2. The Deputy Commissioner of Income Tax
Special Investigation Circle II
Coimbatore

3.The Commissioner of Income Tax Appeals I
Coimbatore

TCA.Nos.1341 & 1342 of 2010

KS(CO)
SP(03/09/2020)