IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 19.02.2020

CORAM

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

Tax Case (Appeal) No.196 to 208 of 2010

The Commissioner of Wealth Tax
Chennai ... Appellant in all appeals

Vs.

M/s.Rayala Corporation (P) Ltd.,
144/7, Old Mahabalipuram Road
Kottivakkam, Chennai 600 041 ... Respondent in all appeals

Prayer:Tax Case Appeal fileds under Section 260A of the Income Tax Act, 1961 against the common order of the Income Tax Appellate Tribunal 'B' Bench, Chennai dated 05.12.2008 in M.P.Nos.118 to 130/2008 in WTA Nos.32 to 44 /Mds/2006,

preferred against the order of the Commissioner of Income Tax (Appeals)-V, Chennai, dated 28.02.2006, made in WTA Nos.208 to 223/2005-2006, against the order of the Deputy Commissioner of Income Tax, Company Circle-V(3), Chennai dated 28.03.2005 made in PAN/GIR.No.AABCR7230D/53043-R for the Assessment Years 1987-88, 1988-89, 1989-90, 1990-91, 1991-92, 1992-93, 1995-96, 1996-97, 1997-98, 1998-99, 1999-2000, 2000-2001 and 2001-2002 respectively.

For Appellant : Mr.R.Hemalatha,
Senior Standing Counsel
in all Appeals

For Respondent : M/s.Venkatnarayanan for
Subbaraya Aiyar Padmanabhan
in all Appeals

J U D G M E N T

(Judgment of the Court was delivered by DR.VINEET KOTHARI,J)

These Tax Case Appeals have been filed by the Revenue calling in question the correctness of the order passed by the Income Tax Appellate Tribunal, 'D' Bench, Madras, by raising the following substantial questions of law:

"1.Whether under the facts and in the circumstances of the case, the Appellate Tribunal was justified in recalling its earlier order with a view to pass a fresh order re-adjudicating the issues in dispute on the basis of the miscellaneous petition for rectification filed by the assessee?

2.Whether under the facts and in the circumstances of the case, the Appellate Tribunal was right in not appreciating the restricted scope of the powers conferred on the Tribunal u/s.254(2) which are limited to rectification of mistakes apparent from record and which did not empower the Tribunal to re-examine and re-appraise the entire facts of the case and evidence already considered and also to call upon the assessee to produce materials and submissions in support of the merits?”

2. When the matter was taken up for hearing, the learned Standing Counsel 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 appeals filed by the Revenue are dismissed, keeping the substantial questions of law open, with a liberty to the Revenue to move an application to re-call in case the Revenue establish the revenue stakes to be more than Rs.1 Crore.

Sd/-
Assistant Registrar(CS III)

//True Copy//

Sub Assistant Registrar

To

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

2.The Commissioner of Income Tax (Appeal)-V,
Chennai-34.

3.The Deputy Commissioner of Income Tax,
Company Circle -V(3), Chennai-34.

+1cc to Mr.J.Ravikumar, Advocate Sr.13996
+1cc to Mr.Subbaraya Aiyar, Advocate Sr.14567

T.C.(A) Nos.196 to 208 of 2010

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srg 09/07/2020