IN THE HIGH COURT OF JUDICATURE AT MADRAS

( Civil Appellate Jurisdiction )

Tuesday, the Twenty Fifth day of August Two Thousand Twenty

PRESENT

The Hon`ble Dr Justice VINEET KOTHARI

and

The Hon`ble Mr Justice KRISHNAN RAMASAMY

CMP No.16623 of 2016

in TCA No.766 of 2016

M/S.TAMINADU MERCANTILE BANK LTD., [ PETITIONER ]
57, V.E. ROAD, TUTICORIN
PAN: AAACT5558K.

Vs

THE DUPUTY COMMISSIONER [ RESPONDENT ]
OF INCOMETAX, CIRCLE-1,1
9A, W.G.C. ROAD,
TUTICORIN

Petition praying that in the circumstances stated therein and in the affidavit filed therewith the High Court will be pleased to grant stay of all further proceedings arising out of the order of the imugned order in ITA O 2297/MDS/2015 for the assessment year 2011-2012 dated 20/07/2016 against the petitioner/appellant including recovery of demand TCA NO.766 of 2016.

Order : This petition coming on for orders upon perusing the petition and the affidavit filed in support thereof and upon hearing the arguments of MR.KAUSHIK FOR MR.S.SRIDHAR Advocate for the petitioner and of MR.M.SWAMINATHAN Senior Standing Counsel for the respondent the court made the following order:-



**ORDER**

(Delivered by Dr.Vineet Kothari, J.)

The Court was held by Video Conference, as per the Resolution of the Full Court dated 3 July 2020, by Judges at their respective residences and the counsel, staff of the Court appearing from their respective residences.

2. Mr.M.Swaminathan, learned Standing Counsel appearing for the Revenue/Department has pointed out that by ad-interim order granted by the Co-ordinate Bench of this Court on 7.11.2016, a blanket interim relief was granted to the appellant/assessee. The demand against the appellant /assessee to the extent of Rs.13.76 crores, as per the chart produced by him, against which, only 20% of the same stands paid by the assessee, whereas for the next Assessment Year, approximately 50% of the demand raised for the similar issue has been paid by the assessee. Therefore, he submitted that some additional amount may be directed to be paid by the assessee subject to final decision of this appeal.

3. After hearing the learned counsel, we direct the appellant/assessee viz., Tamilnadu Mercantile Bank Ltd., to further deposit a sum of **Rs.4.00 crores** within a period of **four weeks** from today to the respondent Income Tax Department against the demand raised for the Assessment Year 2011-12. The said deposit shall remain subject to the final outcome of this appeal and recovery of balance amount of demand shall also remain stayed during the pendency of this appeal, provided the appellant to deposit the amount of Rs.4.00 crores. In case, the appellant Bank fails to deposit the said amount, the interim order granted by this Court shall stand vacated and the respondent/department shall be entitled to recover the whole of the demand in accordance with law.

4. This petition is accordingly disposed of.

-sd/-
25/08/2020
/ TRUE COPY /

Sub-Assistant Registrar ( Statistics / C.S. )
High Court, Madras - 600 104.

TO

THE INCOME TAX APPELLATE TRIBUNAL,
MADRAS 'C' BENCH.

C.C. to SUBBARAYA AIYAR PADMANABHAN Advocate SR.NO.15324



Order
in
CMP.16623/2016
in
TCA.766/2016
Date :25/08/2020

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VS 16.11.2016
SDR 28/08/2020