IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 04.06.2020

CORAM

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

Tax Case (Appeal) Nos.477, 478, 480 and 481 of 2012

The Commissioner of Income Tax
Central III, 121, M.G.Road, Chennai.
... Appellant in all appeals

Vs.

M/s.Vel Shri R.Rangarajan,
Dr.Sagunthala Rangarajan Educational
Academy, Old No.24, New No.38
ABM Avenue, Chennai - 600 028
.. Respondent in all appeals

Tax Case Appeals filed under Section 260A of the Income Tax Act, 1961 against the common order of the Income Tax Appellate Tribunal 'C' Bench, Chennai dated 07.06.2012 in ITA Nos.1933, 1934, 1936 and 1937/Mds/2012, against the order of the commissioner of income tax(Appeals-II) Chennai, 46, Mahatma gandhi salai, Nungambakam, Chennai-34, dated 23/08/2011 made in I.T.A.No.328 to 331/10-11, and I.T.A.No.32710-11, P.A.No.AAATV4165B for the Assessment year 2005-06, 2006-07, 2007-08, 2008-09 and 2004-05, and against the order of the Assistant Commissioner of Income, Central Circle III(3), Chennai-34, dt.31-12-2010, PAN.AAATV4165B, Ward Central Circle III, (3) Chennai-34, for the Assessment year 2004-2005, 2005-2006, 2006-2007, 2007-2008, 2008-2009, T.C.A.No.477,478,480 and 481/2012.

For Appellant :Mr.M.Swaminathan,
Senior Standing Counsel

For Respondent : Mr.R.Sivaraman

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, 'C' Bench, Chennai, by raising the following substantial questions of law:

> "a. Whether on the facts and circumstances of the case, the Income Tax Appellate Tribunal was right in deleting the addition made by the Assessing Officer towards interest when the assessee has not proved before the assessing officer that the funds advanced to trustees were out of surplus funds and not out of borrowed funds?
>
> b. Insofar as other grounds raised are concerned, learned Standing Counsel appearing for the revenue fairly submitted that the issues are covered against the revenue and the same is recorded?"

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 cases, the tax effect is said to be less than the monetary limit imposed and therefore, the appeals filed by the Revenue are dismissed as not pressed, keeping open the substantial questions of law for determination in an appropriate case.

Sd/-
Assistant Registrar

//True Copy//
Sub Assistant Registrar

KST

To

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

2.The Commissioner of Income Tax(Appeals-II)
Chennai-46, Mahatma Gandhi Salai,
Nungambakka, Chennai-34.

3.The Assistant Commissioner of Income Tax,
Central Circle III, (3)
Chennai-34.

4.The Commissioner of Income Tax,
Central III, 121, M.G.Road,
Chennai-34.

5.The Assistant Registrar,
Income Tax Appellate Tribunal,
Rajaji Bhavan, Besant Nagar,
Chennai.

T.C.(A) Nos.477, 478, 480
and 481 of 2012

AD(CO)
CB(03/08/2020)