IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 13.2.2020

CORAM

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

Tax Case (Appeal) Nos.39 to 42 of 2013

Commissioner of Income Tax
Central III,
121, M.G.Road
Chennai 600 034. Appellant/Appellant in all the Petitioners

Vs.

M/s.R.S.Trust
Old No.24, New No.38,
ABM Avenue, Chennai 600 028.
PAN: AAATR 7639G Respondent/Respondents in all the petitioners

Tax Cases filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal, 'C' Bench, Chennai, dated 6.6.2012 made in ITA Nos.1929 to 1932/Mds/2011, against the order dated 23/8/2011 made in ITA Nos.332/10-11, 333/10-11, 334/10-11, 335/10-11 on the file of Commissioner of Income Tax (Appeals)-II, Chennai-34 and the Assessment orders dated 31/12/2010 for the PAN No.AAATR7639G on the file of Assistant Commissioner of Income Tax, Central Circle III(3) Chennai.

For Appellant : Mr.T.R.Senthilkumar
Senior Standing Counsel
For Respondent : Mr.M.P.Senthilkumar

J U D G M E N T
(Delivered by DR.VINEET KOTHARI,J)

These Tax Cases have been filed by the Revenue, calling in question the correctness of the order passed by the Income Tax Appellate Tribunal, 'C' Bench, Chennai, dated 6.6.2012 made in ITA Nos.1929 to 1932/Mds/2011, for the Assessment Years 2003-2004 to 2006-2007, by raising the following substantial questions of law:

"(i) Whether on the facts and circumstances of the case, the Income Tax Appellate Tribunal was correct in holding that no reference could be made to the Valuation Officer without rejecting the assessee's books of accounts?

(ii) Whether on the facts and circumstances of the case, the Income Tax Appellate Tribunal was correct in holding that the case of the appellant is covered by the decision of Sargam Cinema (328 ITR 513) though Section 142A of the Income Tax Act, 1961 was inserted by Finance Act, 2004, with retrospective effect from 15th November, 1972, empowering the assessing officer to seek valuation report from the valuation officer for the purpose of making an assessment or reassessment?

(iii) Whether on the facts and circumstances of the case, the Income Tax Appellate Tribunal was right in deleting the addition under Section 69 by following the decision of K.K.Seshaiyer Vs. CIT (246 ITR 351) without noting that the case is distinguishable on facts?"

2. When the matters are taken up for hearing, learned Senior 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 withdrawn, keeping open the substantial questions of law for determination in appropriate cases. No costs.

Sd/-
Assistant Registrar(CS-III)

//True Copy//

Sub Assistant Registrar

ssk.

To

1. Commissioner of Income Tax
Central III,
121, M.G.Road
Chennai 600 034.

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

3.The Commissioner of Income Tax(Appeals)
Chennai-34.

4.The Asst.Commissioner of Income Tax,
Central Circle III(3), Chennai.

Copy to:
The Section Officer,
VR Section, High Court, Madras.

+1cc to Mr.T.R.Senthilkumar, Advocate SR.12151
+1cc to Mr.M.P.Senthilkumar, Advocate SR.12027

VGI(CO)
CB(26/05/2020)