In the High Court of Judicature at Madras

Dated : 06.11.2020

Coram :

The Honourable Mr.Justice T.S.SIVAGNANAM
and
The Honourable Mrs.Justice V.BHAVANI SUBBAROYAN

Tax Case Appeal Nos.596 to 599 of 2018

Principal Commissioner of Income Tax
Central I, Chennai ..Appellant in all Appeals

Vs

M/s.Saravana Stores (Tex),
Chennai ..Respondent in all Appeals

APPEALS under Section 260A of the Income Tax Act, 1961 against the common order dated 30.11.2017 made respectively in ITA.Nos. 989, 990, 991 and 992/Mds/2016 on the file of the Income Tax Appellate Tribunal, Chennai 'A' Bench respectively for the assessment years 2006-07, 2007-08, 2008-09 and 2009-10, against the order dated 27/11/16 and made in ITA Nos.21 to 24/14-15 on the file of The Commissioner of Income Tax(Appeals) 18, Chennai-34 respectively and against the order dated 28/03/14 and made in PAN No.AAWFS6761Q on the file of Assistant Commissioner of Income Tax, Central Circle IV(2) Chennai-34 respectively and against the order dated 11/9/13 and made in ITA.No.437/Mds/2013 on the file of The Income Tax Appellate Tribunal, 'C'Bench, Chennai for Assessment Year-2008-09(in TC 598/18) and against the order dated 27/12/12 and made in ITA No.103/11-12 on the file of The Commissioner of Income Tax (Appeals)I, Chennai-34 in Assessment year 2008-09(in TC 598/18) and against the order dated 06/06/12 and made in ITA No.1739/Mds/2010 on the file of the Income Tax Appellate Tribunal, 'B'Bench Chennai for Assessment year 2007-08(in TC 597/18) and against the order dated 28/12/10 and made in PAN No on the file of the Assistant Commissioner of Income Tax, Circle II, Chennai(in TC 598/18) and against the order dated 30/07/10 and made in ITA.No.82/09-10. On the file of The Commissioner of Income Tax(Appeals) VI(i.c), Chennai (in TC 597/18) and against the order dated 30/12/09 and made in PAN.NO.AAWFS6761Q on the file of Additional Commissioner of Income Tax, Business Range

II, Chennai(in TC 597/18).

For Appellant: Mr.T.R.Senthilkumar, SSC
(in all cases) assisted by Ms.K.G.Usharani, SC

For Respondent: Mr.Amrith Bhargav
(in all cases)

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 and Mr.Amrith Bhargav, learned counsel appearing for the respondent - assessee.

2. These appeals, filed by the Revenue under Section 260A of the Income Tax Act, 1961 (for brevity, the Act) are directed against the common order dated 30.11.2017 made respectively in ITA.Nos.989, 990, 991 and 992/Mds/2016 on the file of the Income Tax Appellate Tribunal, Chennai 'A' Bench respectively for the assessment years 2006-07, 2007-08, 2008-09 and 2009-10.

3. The appeals were admitted on 16.11.2018 on the following substantial questions of law :

> "i. Whether the Appellate Tribunal is correct in law in reaching to the conclusion that the assessment can be done under Section 153A of the Income Tax Act only based on incriminating material ignoring the fact that under new procedure of search assessment, it is the 'total income' that is to be determined and not merely the income relating to search ?
>
> ii. On the facts and in the circumstances of the case, whether the narrow interpretation given by the Appellate Tribunal to the provisions of Section 153A can be held to be valid in law ? and
>
> iii. Whether, on the facts and in the circumstances of the case, under Section 153A, the Assessing Officer is not eligible to bring to tax all the income, which was hitherto untaxed besides the income detected on account of search conducted under Section 132 of the Income Tax 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 questions of law framed are 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. No costs.

Sd/-
Assistant Registrar(CS-VII)

//True Copy//
Sub Assistant Registrar

To

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

2.Principal Commissioner of Income Tax,
Central I, Chennai.

3.The Commissioner of Income Tax(Appeals)-18,
Chennai-34.

4.The Assistant Commssioner of Income Tax,
Central Circle IV(2),
Chennai-34.

5.The Income Tax Appellate
Tribunal 'C'Bench, Chennai.

6.The Commissioner of Income tax
(Appeals)-I, Chennai-34.

7.The Income Tax Appellate
Tribunal 'B'Bench, Chennai-34.

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8.The Assistant Commissioner of Income Tax,
Circle II, Chennai.

9.The Commissioner of Income Tax,
(Appeals)VI,(i/c), Chennai.

10.The Additional Commissioner of
Income Tax, Business Range II,
Chennai.

+1cc to Mr.T.R.Senthil kumar, Advocate SR.36102

VD(CO)
CB(29/12/2020)

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