IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 22.04.2021

CORAM

THE HON'BLE MR.JUSTICE M. DURAISWAMY
AND
THE HON'BLE MR.JUSTICE KRISHNAN RAMASAMY

Tax Case Appeal No.782 of 2015

Commissioner of Income Tax II,
121, Nungambakkam High Road,
Chennai - 600 034. ... Appellant

Vs.

M/s.Life Cell International P. Ltd.,
No.26, Vandalur Kelambakkam Road,
Keelkottaiyur,
Chennai - 600 048. ... Respondent

Tax Case Appeal filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal, Chennai "C" Bench, dated 11.03.2015 passed in I.T.A.No.2142/Mds/2014, Assessment year 2010-11.

Preferred against the order of the Commissioner of Income Tax (Appeals)-II, Chennai dated 06.03.2014 made in ITA.No.1740/13-14 and against the order of the Assistant Commissioner of Income Tax Company Circle II (4), Chennai, dated 17/05/2012 made in PAN/GIR.No.AAECA 7997B for the Assessment year 2010-11.

For Appellant : Mr.Karthik Ranganathan
Senior Standing Counsel
For Respondent : Mr.N.V.Balaji

J U D G M E N T
(Delivered by M.DURAISWAMY, J.)

This appeal filed by the Revenue under Section 260A of the Income Tax Act, 1961 ('the Act' for brevity), is directed against the order dated 11.03.2015 passed by the Income Tax Appellate Tribunal, Chennai "C" Bench, ('the Tribunal' for brevity) in I.T.A.No.2142/Mds/2014 for the assessment year 2010-11. The above appeal has been admitted on 21.09.2015 on the following Substantial Questions of Law:

> "1.Whether, on the facts and in the circumstances of the case, the Appellate Tribunal is correct in holding that the storage fee collected by the assessee in lumpsum cannot be treated as income

of the year of receipt, which is contrary to Section 5(1) of the Income Tax Act?

2.Whether, on the facts and in the circumstances of the case and in law, the Tribunal is correct in holding that the lumpsum fee collected for 21 years is to be taxed on pro rata basis when the assessee is following Mercantile system of accounting?”

2. We have heard Mr.Karthik Ranganathan, learned Senior Standing Counsel for the appellant/Revenue and Mr.N.V.Balaji, learned counsel for the respondent/assessee.

3. It may not be necessary for this Court to decide the Substantial Questions of Law framed for consideration on account of certain subsequent developments. The Government of India enacted the Direct Tax Vivad Se Vishwas Act, 2020 (Act 3 of 2020) to provide for resolution of disputed tax and for matters connected therewith or incidental thereto. The Act of the Parliament received the assent of the President on 17th March 2020 and published in the Gazette of India on 17th March 2020.

4.Learned counsel for the respondent/assessee submitted that the assessee had availed the Vivad Se Vishwas Scheme and that the respondent/assessee had already been issued with Form-3 on 30.12.2020.

5.Since the respondent/assessee had been issued with Form-3, nothing survives for adjudication in the above appeal. Recording the submission made by the learned counsel for the respondent/assessee, the Tax Case Appeal stands disposed of. No costs.

Sd/-

Assistant Registrar (CS-VII)

//True Copy//

Sub Assistant Registrar

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To

1. Income Tax Appellate Tribunal,

Chennai "C" Bench

2.The Commissioner of Income Tax II,
121, Nungambakkam High Road,
Chennai - 600 034.

3.The Assistant Commissioner of Income Tax
Company circle - II(4), Room No.514,
New Block, 121, M.G.Road, Nungambakkam,
Chennai 34.

+1cc to Mr.N.V.Balaji, Advocate, S.R.No. 24791

Tax Case Appeal No.782 of 2015

CP(CO)
GN(29/06/2021)