IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 30.07.2025

CORAM :

THE HONOURABLE MR. MANINDRA MOHAN SHRIVASTAVA,
CHIEF JUSTICE
AND
THE HONOURABLE MR.JUSTICE SUNDER MOHAN

W.A.No.2391 of 2025
and C.M.P.No.18150 of 2025

The Assistant Commissioner of Income Tax
Corp Circle – 2(1) Chennai
5th Floor,
Chennai-600 017.

Appellant

Vs

EIH Associated Hotels Limited
rep. by Power of Attorney Holder, J.Suresh
1/24, GST Road,
Meenambakkam,
Chennai-600 017

Respondent

PRAYER: Appeal filed under Clause 15 of the Letters Patent against the order dated 19.7.2022 passed by the learned Single Judge in W.P.No.25229 of 2019.

For Appellant: Mr.A.P.Srinivas Babu
Senior Standing Counsel

For Respondent: Mr.Suhrith Parthasarathy

JUDGMENT
(Delivered by the Hon'ble Chief Justice)

Heard on admission.

2. Learned counsel for the Revenue would submit that the order passed by the learned Single Judge suffers from material illegality as the learned Single Judge fell in error of law in classifying disclosure of new material as change of opinion. Referring to the contents of paragraph 2.4 of the notice dated 4.6.2019 for reopening assessment, he would submit that the reason for reopening was that the loss available in the books of the transferor company was Rs.50.52 crores as on 31.3.2011, i.e., before amalgamation, whereas no book loss or depreciation was available to be deducted under Section 115JB of the Income Tax Act, 1961, as detailed therein.

3. On the face of it, it does not contain any recital with regard to non-disclosure of any material, but, in effect, amounts to change of opinion on the material which was already available at the time of

assessment. Therefore, without any doubt, this is a case where the assumption of jurisdiction to undertake reassessment in purported exercise of power under Section 147 of the Act was without the authority of law and not based on any new material which allegedly was not disclosed by the assessee at the time of the assessment, but on change of opinion.

We do not find any merit in the appeal. Writ Appeal is dismissed at the admission stage itself. There shall be no order as to costs. Consequently, interim application stands closed.

(MANINDRA MOHAN SHRIVASTAVA, CJ) (SUNDER MOHAN,J)
30.07.2025

Index : Yes/No
Neutral Citation : Yes/No
sasi

To:

The Assistant Commissioner
Corp Circle – 2(1) Chennai
5^{th} Floor,
Chennai-600 017.

THE HON'BLE CHIEF JUSTICE
AND
SUNDER MOHAN,J.

(sasi)

W.A.No.2391 of 2025

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