IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 1.2.2019

CORAM

THE HON'BLE DR.JUSTICE VINEET KOTHARI
AND
THE HON'BLE DR.JUSTICE ANITA SUMANTH

Tax Case Appeal No.1028 of 2009

The Commissioner of Income Tax
Pondicherry. .. Appellant

Vs.

Shri Louis Sinnaya Arokiasamy
381, M.G.Road,
Puducherry 605 001. .. Respondent

Tax Case Appeal filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal, Madras 'C' Bench, Chennai, dated 13.2.2008 made in ITA No.1708/Mds/2007.

Against the proceedings of the Assistant Commissioner of Income Tax Circle-I, Puducherry, dated 08.06.2007 made in GI.No.702-L/Assessment Year 2002-03, and against the order of the Commissioner of Income Tax(Appeals)-XI, 121, Mahatma Gandhi Road, Chennai, dated 29.03.2007 made in I.T.A.No.365/2005-06.

For Appellant : Ms.K.G.Usha Rani, for Mr.T.R.Senthilkumar
Standing Counsel

For respondent : Mr.A.S.Sivaraman for
Mr.S.Sridhar

J U D G M E N T

(Delivered by DR.VINEET KOTHARI,J)

This Tax Case Appeal has been filed by the Revenue calling in question the correctness of the order passed by the Income Tax Appellate Tribunal, 'C' Bench, Chennai, dated 13.2.2008 made in ITA No.1708/Mds/2007, by raising the following substantial question of law:

"Whether on the facts and in the circumstances of the case, the Appellate Tribunal was right in setting aside the order of the Commissioner of Income Tax (Appeals) and directing the assessing officer to adopt the value of the land to be taken at Rs.4 per sqft. for the purpose of computing the Capital Gains of the land without any basis, even though the assessee himself shown in his Wealth-tax return, the value of the land at Rs.1.03 per sqft?"

2. When the matter is taken up for admission, the learned Standing Counsel brought to our notice the Circular instruction issued by the Central Board of Direct Taxes vide Circular No.3/2018 dated 11.7.2018 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.50 lakhs.

3. In the instant case, the tax effect is said to be less than the monetary limit imposed and therefore, the appeal filed by the Revenue is dismissed as not pressed, keeping open the substantial question of law for determination in an appropriate case.

Sd/-
Assistant Registrar(CO)

//True Copy//

Sub Assistant Registrar

ssk.
To

1. The Commissioner of Income Tax
Pondicherry.

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

3. The Assistant Commissioner of Income Tax,
Circle I, Puducherry.

+1 cc to Mr.T.R.Senthilkumar, Advocate Sr.No.9546

TCA No.1028 of 2009

EV(CO)
CSL/05.03.2019