IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 21.8.2019

CORAM :

THE HONOURABLE MR.JUSTICE T.S.SIVAGNANAM
AND
THE HONOURABLE MRS.JUSTICE V.BHAVANI SUBBAROYAN

Tax Case Appeal No.441 of 2012

The Commissioner of Income Tax, Chennai ...Appellant

Vs

M/s.Rapicon Equipment P. Ltd., Chennai-34. ...Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 10.7.2012 made in ITA.No.970/Mds/2011 on the file of the Income Tax Appellate Tribunal, Chennai 'D' Bench for the assessment year 2006-07 against the Order of the Commissioner of Income Tax (Appeals)-V, Chennai -34, dated 14.03.11 passed in ITA No.437/2008-09 against the Order dated 22.12.08 passed by the Assistant Commissioner of Income Tax Company Circle- V(3), Chennai -34 for the Assessment Year 2006-07.

For Appellant: Mr.T.Ravikumar, SSC &
Mrs.R.Hemalatha, SSC

For Respondent:Mr.G.Baskar

Judgment was delivered by T.S.Sivagnanam,J

We have heard Mr.T.Ravikumar, learned Senior Standing Counsel and Mrs.R.Hemalatha, learned Senior Standing Counsel appearing for the appellant - Revenue and Mr.G.Baskar, learned counsel appearing for the respondent - assessee.

2. This appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 is directed against the order dated 10.7.2012 made in ITA.No. 970/Mds/2011 on the file of the Income Tax Appellate Tribunal, Chennai 'D' Bench for the assessment year 2006-07.

3. The appeal was admitted on 03.1.2013 on the following substantial questions of law :

"i. Whether the Tribunal is right in not considering the value determined by the stamp valuation authorities for the purpose of payment of stamp duty in respect of the transfer of land or the value determined by the District Valuation Officer in pursuance of the reference made by the Assessing Officer to him as full value of consideration but determining the price said to be realized by the assessee as full value of consideration ? and

ii. Whether, under the facts and circumstances of the case, the Tribunal was right in accepting the price referred to by the assessee as full value of consideration, ignoring the provisions of Section 50C of the Income Tax Act, 1961?"

4. The learned Senior Standing Counsel for the appellant submits that the above appeal is 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 this case is less than the threshold limit.

5. In the light of the said submissions, the above tax case appeal is dismissed on account of the low tax effect. The substantial questions of law framed are left open. In the event the tax effect 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 appeal to be heard and decided on merits. No costs.

Rs

Sd/-
Assistant Registrar(CS III)

//True Copy//

Sub Assistant Registrar

To

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

2. The Assistant Commissioner of Income Tax,
Company Circle- V(3), Chennai.

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

+1cc to Mr.T.Ravi Kumar, Advocate, SR.No.71100
+1cc to Mr.G.Baskar, Advocate, SR.No.71653

TCA.No.441 of 2012

Kak(23/10/2019)