IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 27.08.2019

CORAM :

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

Tax Case Appeal No.421 of 2015

Commissioner of Income Tax,
Chennai. ...Appellant/ Respondent

Vs

Shri D.Prabhakar John ...Respondent/ Appellant

Prayer:APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 19.12.2014 made in ITA.No.2869/MDS/2014 on the file of the Income Tax Appellate Tribunal, Chennai 'C' Bench for the assessment year 2007-08 and against the order of the Commissioner of Income Tax (Appeals) VI, Chennai 34 dated 28.08.2014 made in ITA.NO.1650/13-14/A-VI for the assessment year 2007-2008 and against the order of the Deputy Commissioner of Income Tax Company Circle VI(1),Chennai 34 dated 30.11.2013 made in PAN/GIR NO.AHZ PPA 1703D, for the assessment year 2007-2008.

For Appellant : Mr.T.R.Senthilkumar,
SSC assisted by
Ms.K.G.Usharani
For Respondent: Mr.R.Venkataraman
for M/s.Subbaraya Aiyar Padmanabhan

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 counsel appearing for the appellant/revenue and Mr.R.Venkataraman, learned counsel for M/s.Subbaraya Aiyar Padmanabhan, 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 19.12.2014 made in ITA.No.2869/MDS/2014 on the file of the Income Tax Appellate Tribunal, Chennai 'C' Bench for the assessment year 2007-08.

3.The appeal was admitted on 01.07.2015 on the following substantial questions of law :

> "1) Whether in the facts and circumstances of the case, the Appellate Tribunal was erred in granting the relief to the assessee on a wrong claim of exemption under Section 54F of the Income Tax Act without reckoning the date of agreement, which goes beyond the period specified?
>
> 2) Whether in the facts and circumstances of the case, the Tribunal was right in not considering the provisions of Section 2(47)(v) of the IT Act and Section 53A of the Transfer of Property Act for the purpose of reckoning the date of reinvestment and the one year time limit to grant exemption under Section 54F of the Income Tax Act when the assessee has entered into agreement on 15.04.2005 and had paid the part consideration for the property?"

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.

Sd/-
Assistant Registrar(CS)

//True Copy//

Sub Assistant Registrar

cse
To

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

2.The Commissioner of Income Tax (Appeals) VI, Chennai 34

3.The Deputy Commissioner of Income Tax Company Circle VI (1),Chennai 34

+1cc to Mr.T.R.Senthilkumar , Advocate SR.No. 73609

TCA.No.421 of 2015

A.SK(08/11/2019)