In the High Court of Judicature at Madras

Dated : 28.08.2019

Coram :

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

Tax Case Appeal No.273 of 2018

Principal Commissioner of Income Tax 2,
No.63, Race Course Road, Coimbatore. ...Appellant

Vs

Shri R.Balachandiran
PAN: ADAPB8349N ...Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 27.07.2017 made in ITA.No.2728/MDS/2016 on the file of the Income Tax Appellate Tribunal, Chennai 'A' Bench for the assessment year 2013-14, against the order passed by the commissioner of Income Tax(Appeals)-18 Chennai dated 09.06.16 in ITA NO.90/15-16 for the assessment year 2013-14 passed under section 250(6) read with section 143(3) of the Act, against the Deputy Commissioner of Income Tax Central Circle-1 Coimbatore in PAN/GIR No.ADAPB8349N order dated 31.03.2015.

For Appellant : Mr.T.R.Senthilkumar, SSC assisted by Ms.K.G.Usharani

For Respondent: Mr.N.V.Balaji

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.N.V.Balaji, 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 27.07.2017 made in ITA.No.2728/MDS/2016 on the file of the Income Tax Appellate Tribunal, Chennai 'A' Bench for the assessment year 2013-14.

3.The appeal has been filed by raising the following substantial questions of law :

"1.Whether on merit of the case the ITAT was right in law in upholding the order of the CIT (A) deleting the addition made u/s.69 of the IT Act, when the assessee itself has accepted in its statement recorded u/s.132(4) on 14.12.2012 that the above advance was made out of his unaccounted income and substantiated with agreement dated 05.06.2012 also where the assessee is a party?

2.Whether on merit of the case the ITAT was right in law in upholding the order of the CIT (A), without considering the fact that the assessee could not prove that the amount of Rs.1,30,00,000/- credited into the book of the assessee's brother is the same amount which was given by the assessee's brother to the seller since it was in the form of cash?"

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-VIII)

//True Copy//
Sub Assistant Registrar

cse
To

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

2.The Commssioner of Income Tax,(Appeals)-18
46, Mahathma Gandhi Road, Nungambakkam,
Chennai-34.

3.The Deputy Commissioner of Income Tax,
Central Circle-1, Coimbatore.

+1cc to Mr.T.R.Senthilkumar, Advocate SR.74186
+1cc to Mr.N.V.Balaji, Advocate SR.75786

TCA.No.273 of 2018

RGN(CO)
CB(08/11/2019)