IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 08.12.2020

CORAM

THE HON'BLE MR.JUSTICE T.S.SIVAGNANAM
&
THE HON'BLE MRS.JUSTICE V.BHAVANI SUBBAROYAN

Tax Case Appeal No.153 of 2019

Principal Commissioner of Income Tax 6
No.121, Mahatma Gandhi Road,
Chennai ... Appellant/Respondent

Vs.

Shri A. Lalichan ... Respondent/Appellant

Tax Case Appeal is filed under Section 260A of the Income Tax Act 1961 against the order dated 12.07.2018 made in I.T.A.No.1880/Chny/2016 on the file of the Income Tax Appellate Tribunal, Madras "B" Bench, for the assessment year 2010 - 2011, and against the order of the Commissioner of Income Tax(Appeals)-15, Nungambakkam, Chennai-34, dated 18-03-2016, made in ITA.No.181/CIT(A)-15/14-15 and against the order of the Income Tax Officer ward-IV(1), Chennai made in PAN/GIR No.AABPL7067R, dated 26.03.2014.

For Appellant : Mr.J.Narayanasamy
Senior Standing Counsel

For Respondent : Mr.M.P.Senthilkumar

J U D G M E N T

(Judgment of the Court was delivered by T.S.SIVAGNANAM.J)

We have heard Mr.J.Narayanasamy, learned counsel appearing for the appellant and Mr.M.P.Senthilkumar, learned counsel appearing for the respondent.

2. This appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 is directed against the order dated 12.07.2018 made in I.T.A.No.1880/Chny/2016 on the file of the Income Tax Appellate Tribunal, Madras "B" Bench, for the assessment year 2010 - 2011.

3. The Tax case appeal was admitted on 10.12.2019 on the following substantial questions of law :

"1. Whether the ITAT is correct in law in adopting Rs.9,32,80,000/- as the cost of acquisition of the land at Kerala by virtue of the agreement dated 24.01.2007 when the assessee in its computation of capital gains has claimed Rs.4,49,33,080/- only as the total cost of land in the computation statement filed on 02.07.2012 during the post survey proceedings?

2. Whether the ITAT is correct in adopting Rs.9,32,80,000/- as the cost of acquisition of the land when in fact the assessee has not submit any evidence of payments in excess of Rs.4,49,33,080/- towards the purchase of land and the initial burden is not discharged by the assessee?

3. Whether the Appellate Tribunal is correct in holding that the Revenue has accepted the agreement dated 24.01.2007 as genuine and undisputed document when in fact, the Ld. CIT(A) in his order has questioned the genuineness of the documentary proof as it is not placed before any notary and no revenue stamp affixed?"

4. The learned 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 question of law framed is 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.

Sd/-
Assistant Registrar(CS-III)

//True Copy//

Sub Assistant Registrar

ssd

To

1.The Income Tax Appellate Tribunal,
"B" Bench, Chennai.

2.The Principal Commissioner of Income Tax-6
No.121, Mahatma Gandhi Road, Chennai.

3.The Commissioner of Income Tax,
(Appeals)-15, Nungambakkam, Chennai-34.

4.The Income Tax Officer,
Ward-IV(1) Chennai.

+1cc to Mr.G.Baskar, Advocate SR.39914

Tax Case Appeal No.153 of 2019

BR(CO)
CB(03/02/2021)