IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 17.06.2020

CORAM :

THE HONOURABLE MR.JUSTICE T.S.SIVAGNANAM

AND

THE HONOURABLE MRS.JUSTICE PUSHPA SATHYANARAYANA

TAX CASE APPEAL NO.996 OF 2015

Commissioner of Income Tax,
Central Circle – III,
Chennai-600 034. ...Appellant

Vs

Kandasamy Sah,
No.122/B-1, Ennaikara Street,
Kancheepuram-631 501.
(PAN: AFS PK 7364 Q) ...Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 23.01.2015 made in IT (SS)A No.20/Mds/2012 on the file of the Income Tax Appellate Tribunal 'A' Bench, Chennai for the assessment block period 01-04-1990 to 14-09-2000 against the order dated 30.03.2012 made in ITA.No.55/03-04 PAN/GIR NO.AFSPK7364Q on the file of the Commissioner of Income Tax (Appeals) I, Chennai 34 against the order dated 31.12.2002 made in PA NO./GI NO.AFSPK7364Q on the file of the Assistant Commissioner of Income Tax, Central Circle III(1), Chennai.

For Appellant : Mr.T.R.Senthil Kumar,
Senior Standing Counsel
assisted by Ms.K.G.Usha Rani,
Junior Standing Counsel

For Respondent : Mr.T.Vasudevan

Judgment was delivered by T.S.Sivagnanam,J

We have heard Mr.T.R.Senthil Kumar, learned Senior Standing Counsel assisted by Ms.K.G.Usha Rani, learned Junior Standing Counsel appearing for the appellant-Revenue and Mr.T.Vasudevan, learned counsel 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 23.01.2015 made in IT (SS)A No.20/Mds/2012 on the file of the Income Tax Appellate Tribunal 'A' Bench, Chennai for the assessment block period 01-04-1990 to 14-09-2000.

3.The appeal was admitted on 17.11.2015 on the following substantial questions of law :

> "1. Whether the Tribunal was right in holding that the investments made in immovable properties cannot be considered as undisclosed income for block assessment when the assessee had filed VDIS declaration on the above properties and not paid taxes thereon?
>
> 2. Whether the Tribunal was right in holding that the investments made in immovable properties cannot be considered as undisclosed income for block assessment when the documents were seized vide Ann/AV/B&D/S-1 and Ann/RCD/B&D/S-3 dated 15.9.2000 during the course of search action under Section 132 of the IT Act?
>
> 3. Whether the Appellate Tribunal is right in holding that the assessee is entitled to depreciation on the vehicles which is disclosed after the search action and also the assessee has not maintained the books of account regularly?"

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.

Sd/-
Assistant Registrar(CS III)MDU

//True Copy//

Sub Assistant Registrar

abr

To

1.The Income Tax Appellate Tribunal 'A' Bench, Chennai.
2.The Commissioner of Income Tax(Appeals)-I, Chennai 34.
3.The Assistant Commissioner of Income Tax,
Central Circle III(1), Chennai34

TCA.No.996 of 2015

RLD(CO)
KKV/07/10/2020