In the High Court of Judicature at Madras

Dated : 18.06.2020

Coram :

The Honourable Mr.Justice T.S.SIVAGNANAM
and
The Honourable Mrs.Justice PUSHPA SATHYANARAYANA

Tax Case Appeal No.786 of 2014

Commissioner of Income Tax,
Central Circle III, Chennai. ...Appellant

-vs-

Shri Sugandararaj,
60, Raghavan Colony,
Vadapalani, Chennai-600 026. ...Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 18.08.2011 made in ITA.No.1373/Mds/2011 on the file of the Income Tax Appellate Tribunal 'B' Bench, Chennai for the assessment year 2007-08.

Appeal against the order dated 24.06.2011 made in ITA No.262/10-11. On the file of the Commissioner of Income Tax (Appeals)-II Chennai-600 034 for the assessment year 2007-08.

As appeal against the order dated 20.12.2010 made in PAN/GIR No.ALZPS9760M on the file the Deputy Commissioner of Income Tax Central Circle-III(2), Chennai-34 for the assessment year 2007-08.

For Appellant : Mr.M.Swaminathan,
Senior Standing Counsel &
: Ms.V.Pushpa, Standing Counsel
For Respondent : Mr.N.Devanathan &
Mr.Suganthiraj

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JUDGMENT
(Delivered by T.S.Sivagnanam, J.)

We have heard Mr.M.Swaminathan, learned Senior Standing Counsel for the appellant/Revenue and Mr.N.Devanathan, 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 18.08.2011, made in I.T.A.No.1373/Mds/2011 on the file of the Income Tax Appellate Tribunal 'B' Bench, Chennai for the assessment year 2007-08.

3. The appeal was admitted on 03.11.2014 on the following substantial questions of law:-

> "1.Whether on the facts and in the circumstances of the case the Tribunal was right in coming to the conclusion that the land sold by the assessee is not a capital asset u/s 2(14) and the land is situated more than 8 kms from the Tambaram Municipality.
>
> 2.Whether on the facts and in the circumstances of the case the Tribunal was right in coming to the conclusion that the land sold by the assessee is not an agricultural land when the assessee has not proved or produced any evidence of agricultural operation in the said land. And
>
> 3.Whether on the facts and in the circumstances of the case the Tribunal was right in restricting the disallowance to the tune of Rs.1,00,000/- and gave a relief of Rs.3,79,275/- when the assessee has not maintained any books of accounts and has not produced any evidence before the assessing officer."

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

//True Copy//

Sub Assistant Registrar

To

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

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

3. The Deputy Commissioner of Income Tax,
   Central Circle-III(2), Chennai-34.

4. The Commissioner of Income Tax,
   Central Circle-III, Chennai

TCA.No.786 of 2014

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