IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 13.03.2020

CORAM

THE HON'BLE DR.JUSTICE VINEET KOTHARI
AND
THE HON'BLE MR.JUSTICE R.SURESH KUMAR

Tax Case (Appeal) No.295 of 2017

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

Vs.

Smt. Saroj Singhania,
No.170-A (38), Gandhi Nagar,
Sundarapuram,
Coimbatore 641 024 ...Respondent/ Respondent

Tax Case Appeal filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal, Madras 'C' Bench, dated 30.11.2016 in ITA No.396/Mds/2016 ITA.No.396/Mds/2016 against the Commissioner of Income TAx(Appeals)-3 Coimbatore in PAN/TAN-AARPS4236P for the Assessment year 2012-2013 order dated 16/11/2015 against the Assistant Commissioner of Income Tax, non-corporate circle-4 Coimbatore in PAN-AARPS4236P for the Assessment year 2012-2013, order dated 31/03/2015.

For Appellant : M/s.K.G.Usha Rani
Senior Standing Counsel

For Respondent : No appearance

J U D G M E N T

(Judgment of the Court was delivered by
DR.VINEET KOTHARI,J)

This Tax Case Appeal has been filed by the Revenue calling in question the correctness of the order passed by the Income Tax Appellate Tribunal, Madras 'C' Bench, by raising the following substantial questions of law:

"1. Whether, on the facts and in the circumstances of the case, the Appellate Tribunal was right in holding that the land in question is agricultural land when no agricultural activities were carried out there in the recent years and the land was sold for windfall profit?
2. Whether on the facts and circumstances of the case, the Tribunal was right in holding that in order to treat the profit on sale of land as business income, the land should have been developed into layouts or divided into plots before sale?
3. Whether on the facts and circumstances of the case, the Hon'ble Tribunal was right holding that the land in question is agricultural land though the surrounding/adjoining areas have developed with the functioning of industries and educational institutions?'

2. When the matter was taken up for hearing, the learned Standing Counsel brought to our notice the Circular instruction issued by the Central Board of Direct Taxes vide Circular No.17/2019 dated 8th August 2019, wherein, it is stipulated that appeals shall not be filed/pursued by the Department before the High Court in cases where the tax effect does not exceed Rs.1,00,00,000/- (Rupees One Crore).

3. In the instant case, the tax effect is said to be less than the monetary limit imposed and therefore, the appeal filed by the Revenue is dismissed as not pressed, keeping open the substantial questions of law for determination in an appropriate case.

-s/d-
Assistant Registrar

True Copy
Sub-Assistant Registrar

Note:
Though the name of the counsel for the respondent has been shown in the cause list, as there is no appearance a copy of the order may be sent to learned counsel for the respondent.

msr

To
Income Tax Appellate Tribunal
'D' Bench,Chennai.

2.The Commissioner of Income tax(Appeals)-3
Coimbatore

3.The Assistant Commissioner of Income Tax
non-Corporate Circle-4 Coimbatore

copy to
Mr.S.Sathiyanarayanan Advocate
No.161/346, 2nd floor Thambi Chetty street,
Chennai-600 001.

+1 cc to Mr.T.R.senthil kumar Advocate sr23081

T.C.(A) No.295 of 2017

rjl(co)
aa17/07/2020