IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATE: 20.01.2021

CORAM:

THE HON'BLE MR. JUSTICE M.DURAISWAMY
AND
THE HON'BLE MRS.JUSTICE T.V.THAMILSELVI

T.C.A.No.961 of 2009

Commissioner of Income Tax - I,
Tiruchirapalli. ... Appellant/ Appellant

Vs.

K.Sampath ... Respondent/ Respondent

Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, "C" Bench, dated 27.02.2009 in I.TA.No.1347/Mds/2008, Assessment Year 2002-03 and against the order passed by the Commissioner of Income Tax (Appeals), Trichy dated 05.04.2008 made in ITA.NO.185/07-08 for the Assessment Year 2002-2003 and against the order passed by the Assistant Commissioner of Income Tax,company circle I,Trichy dated 28.12.2007 made in PAN/GIR.AAUPS8843 Q for the assessment Year 2002-203.

For Appellant : Mr.M.Swaminathan,
Senior Standing Counsel
Asst.By M/s.S.Pramalatha

For Respondent : Mr.Koushik
for Mr.S.Sridhar

JUDGMENT

(Judgment was delivered by T.V.THAMILSELVI, J.)

We have heard Ms.S.Premalatha, learned Standing Counsel for the appellant/Revenue and Mr.Koushik, learned counsel for the respondent/ assessee.

2.The appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 (for short, the Act) is directed against the order dated 27.02.2009 made in I.TA.No.1347/Mds/2008 on the file of the Income Tax Appellate Tribunal, Chennai, “C” Bench (for brevity, the Tribunal) for the Assessment Year 2002-03.

3.The appeal was admitted on 08.12.2009 on the following substantial questions of law:

“1.Whether on the facts and in the circumstances of the case, the Appellate

Tribunal was right in deleting the addition of Rs.15,91,412/- being profit on sale of Nangavaram Pannai lands? and

2.Whether on the facts and in the circumstances of the case, the Appellate Tribunal was right in holding that the investment in the land had to be considered only in the hands of the firm M/s.Southern Construction Enterprises disregarding all relevant evidence and relying on irrelevant material?"

4.The learned 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 08.08.2019 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 in this case 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(co)

//True Copy//

Sub Assistant Registrar

va

To

THE INCOME TAX APPELLATE TRIBUNAL,
CHENNAI, ''C'' BENCH

2.THE COMMISSIONER OF INCOME TAX I,TRICHIRAPALLI

3.THE COMMISSIONER OF INCOME TAX (APPEALS),TRICHY.

4.THE ASSISTANT COMMISSIONER OF INCOME TAX,COMPANY CIRCLE I,TRICHY.

T.C.A.NO.961 OF 2009

A.SK(05.02.2021).