IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 01.07.2021

CORAM

THE HON'BLE MR. JUSTICE M.DURAISWAMY
AND
THE HON'BLE MRS.JUSTICE R. HEMALATHA

T.C.A.No.765 of 2015

The Commissioner of Income Tax,
Chennai. ... Appellant

Vs.

Shri Kunal S. Mehta
9B, JVL Bungalow,
25/4, Flowers Road,
Kilpauk, Chennai – 600 010 ...
Respondent

Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, “A” Bench, dated 05.03.2015 in I.TA.No.1926/Mds/2014, Assessment Year 2007-08 against the order of the Commissioner of Income Tax(A)-VII, in ITA No.884/13-14 for the Assessment Year 2007-08 dated.09.06.2014 against the amendment order of the Income Tax Officer, International Taxation I(1), Chennai, Dated.26.03.2013.

For Appellant : Mr.Karthik Ranganathan
Senior Standing Counsel
and Mr.S.Rajesh
Standing Counsel

For Respondent : Mr.Ashok Pathy
for M/s.Pass Associates

JUDGMENT

(Judgment was delivered by M.DURAISWAMY, J.)

We have heard Mr.Karthik Ranganathan, learned Senior Standing Counsel and Mr.S.Rajesh, learned Standing Counsel for the appellant/Revenue and Mr.Ashok Pathy for M/s.Pass Associates, 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 05.03.2015 made in I.TA.No.1926/Mds/2014 on the file of the Income Tax Appellate Tribunal, Chennai, “A” Bench (for brevity, the Tribunal) for the Assessment Year 2007-08.

3.The appeal was admitted on 22.09.2015 on the following substantial questions of law:

> "1.Whether, on the facts and in the circumstances of the case, the Tribunal was right in holding that the base year as 1981, and not the year in which the assessee became the owner of the assets by way of inheritance for the purpose of computing indexed cost of acquisition?
>
> 2.Is not the finding of the Tribunal bad as it is contrary to the explanation (ii) of Section 48 of the Income Tax Act?"

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 08.08.2019 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 as withdrawn 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(CS VIII)

//True Copy//

Sub Assistant Registrar

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To
1.The Registrar,
The Income Tax Appellate Tribunal,
Chennai, "A" Bench
2. The Commissioner of Income Tax (4)-VII, Chennai
3. The Income Tax Officer,
International Taxation I(1)
Chennai

T.C.A.No.765 of 2015

PPA (CO)
K.RK. (23.07.2021)