IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATE: 08.01.2021

CORAM:

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

T.C.A.No.43 of 2014

Commissioner of Income Tax,
Trichy. ... Appellant

Vs.

R.Anandakumar ... Respondent

Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, "B" Bench, dated 18.07.2011 in ITA.No.372/mds/2011, Assessment Year 2007-08 against the order of the Commissioner of Income-Tax (Appeals), Tiruchirappalli dated 15.12.2010 and made in DTA.No.208/09-10 for the Assessment year 2007-08.

against the order of the assistant Commissioner of Income-tax, Company Circle-I, Trichy dated 24.12.2009 and made in PAN/GDR.No.AEDPA9870K for the Assessment Year 2007-08.d

For Appellant : Ms.V.Pushpa, Standing Counsel
for Mr.M.Swaminathan,
Senior Standing Counsel

For Respondent : Ms.Sriniranjani Srinivasan
for Mr.G.Baskar

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

We have heard Ms.V.Pushpa, learned Standing Counsel for the appellant - Revenue and Ms.Sriniranjani Srinivasan 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 18.07.2011 made in ITA.No.372/mds/2011 on the file of the Income Tax Appellate Tribunal, Chennai, ''B'' Bench (for brevity, the Tribunal) for the Assessment Year 2007-08.

3.The appeal was admitted on 16.04.2014 on the following substantial questions of law:

"1.Whether on the facts and in the circumstances of the case, the Tribunal was right in holding that the guideline of the land as on 01.04.1981 cannot be adopted by the assessing officer as the cost of acquisition of the land while computing that capital gains on the sale of land by the assessee on the ground that guideline value has not undergone at any change for four decades?
2)Whether on the facts and in the circumstances of the case, the Tribunal was right in adopting the cost of acquisition of the land as adopted by the assesses valuer, even though no evidences were produced to support the value arrived by the valuer?
3)Whether on the facts and in the circumstances of the case, the Tribunal was right in holding that the cost acquisition of the land cannot be arrived by the assessing officer without referring the valuation of the department valuation cell?
4)Whether on the facts and in the circumstances of the case, the Tribunal was right in not considering the ground raised by revenue with respect to valuation of building as on 01.04.1981 for the propose computing the capital gains?"

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(CS)

//True Copy//

Sub Assistant Registrar

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To

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

2 The Commissioner of Income-tax (Appeals)
Tiruchirappalli.

3 The Assistant Commissioner of Income-Tax
company Circle-I,
Tiruchirappalli.

+1cc to Mr.M.Swaminathan Advocate SR.NO.1429

+1cc to Mr.M.Muthukumar Advocate SR.NO.1158

T.C.A.No.43 of 2014

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SDR 12/02/2021