IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 04.09.2025

CORAM

THE HON'BLE MR.MANINDRA MOHAN SHRIVASTAVA,
CHIEF JUSTICE
AND
THE HON'BLE MR.JUSTICE G.ARUL MURUGAN

TCA No.170 of 2025

Principal Commissioner of Income Tax I
Coimbatore : Appellant

versus

Ramanathan Adaikalavan,
No.80, Ansari Street, Ram Nagar,
Coimbatore 641 009
PAN AANPA 6846P : Respondent

Prayer: Appeal filed against the order of the Income Tax Appellate Tribunal, Madras "B" Bench, Chennai, dated 06.12.2024 in ITA No.557/CHNY/2024.

For Appellant	:	Mr.V.Mahalingam, Senior Standing counsel
For Respondent	:	Mr.G.Baskar

JUDGMENT

(Delivered by the Hon'ble Chief Justice)

Heard the appeal on admission.

2. The Revenue has filed this appeal raising the following substantial questions of law:

"1.Whether on the facts and circumstances of the case, the learned ITAT was right in quashing the proceedings under Section 148 being bad in law holding that, all documents comprising balance sheet, profit & loss a/c of the assessee were submitted before the Assessing Officer during original assessment proceedings; whereas the assessee in the return of income filed under Section 139 of the Act, balance sheet, tax audit report under Section 44AB submitted to the Department had not disclosed the true nature of the asset sold?

2.Whether on the facts and circumstances of the case, the learned ITAT was right in quashing the re-assessment proceedings reopened based on the information on the capital asset received by the Assessing Officer after completion of the original assessment under Section 143(3) where one of the *reason for CASS selection was low capital gain w.r.t sale consideration as returned by the assessee in the return of income under the head long term capital gain and the Assessing Officer had scrutinized the details submitted by the assessee under the head LTCG based on the documents submitted by the assessee and information available with the Assessing Officer, during the assessment proceedings under Section 143(3) of the IT Act?*

3. Whether on the facts and circumstances of the case, the learned ITAT is perverse to the facts and circumstances of the case?"

3. Learned counsel for the Revenue would submit that the Tribunal has acted perversely against the legal position, that present was not a case of reopening based on new information but only change of opinion. He would further submit that at the time of scrutiny assessment, the schedule with regard to the assessee's investments escaped the attention of the Assessing Officer and later on, it was found that the assessee could not have claimed benefits arising out of the long term capital gain in view of various transactions made.

4. We find that the learned Tribunal has gone through the contents of notice under Section 148 of the Income Tax Act which only requires certain information which were available earlier before the Assessing officer at the time of making assessment.

5. Therefore, it is apparently clear that the basis for reopening was change of opinion and not new information. Therefore, no question of law is involved. The appeal is dismissed. There will be no order as to costs.

(MANINDRA MOHAN SHRIVASTAVA, CJ.)   (G.ARUL MURUGAN, J.)
04.09.2025

Index : Yes/No
Neutral Citation : Yes/No
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To

1.The Principal Commissioner of Income Tax I
Coimbatore

2.The Income Tax Appellate Tribunal,
Madras "B" Bench, Chennai

THE HON'BLE CHIEF JUSTICE
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G.ARUL MURUGAN, J.

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