IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated:23.01.2017

Coram:

The Hon'ble Mr.Justice HULUVADI G.RAMESH
AND
The Hon'ble Dr. Justice ANITA SUMANTH

TAX CASE APPEAL No. 890 of 2016

Principal Commissioner of Income Tax 1,
No.63, Race Course Road,
Coimbatore .. Appellant

Versus

M/s. Precot Meridian Ltd,
"Supreme" P.B.No.7161,
Green Fields,Puliakulam Road
Coimbatore. ..Respondent

Tax Case Appeal filed under Section 260-A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal "C" Bench, Chennai dated 24.3.2016 passed in I.T.A.Nos.119/Mds/2016. Against the order passed by the Commissioner of Income Tax (Appeals)-1, Coimbatore, dated 28/10/15, made in Appeal No.18/13-14, for assessment-year 2010-2011 against the assessment order passed by the joint commissioner of Income Tax, Range-1, Coimbatore dated 11.03.13, in GIR NO.AABCP3038K for the assessment year 2010-11.

For Appellant .. Mr.T.R.Senthil Kumar

J U D G M E N T

(Judgment of the Court was delivered by Dr.ANITA SUMANTH,J.)

This Tax Case (Appeal) is filed by the Revenue calling in question the correctness of the order passed by the Income Tax Appellate Tribunal, "C" Bench, Chennai dated 24.3.2016 in I.T.A.Nos.119/Mds/2016, in respect of the Assessment Year 2010-2011. The following substantial questions of law have been framed for our consideration:

> '1. Whether on the facts and circumstance of the case the Appellate Tribunal was right in law in holding that the assessee is entitled to deduction under section 80 IA of the Income Tax Act?'
>
> 2. Whether under the facts and circumstances of

the case, the Income Tax Appellate Tribunal was right in holding that unabsorbed depreciation of the earlier years before the first year of claim, which was already been absorbed, should not be notionally carried forward and taken into consideration for computation of deduction u/s.80 IA of the Income Tax Act?'

2. Learned counsel appearing for the Revenue would fairly bring to our notice that the decision of this Court in the case of Velayuthasamy Spinning Mills Vs Assistant Commissioner of Income-tax, Tirupur (340 ITR 477) deciding the issue in question, in favour of the Assessee has confirmed by the Hon'ble Supreme Court in Assistant Commissioner of Income-tax, Tirupur Vs. Velayudhaswamy Spinning Mills (P) Ltd (2016) 76 taxmann.com 176(SC)

3. The Tax Case (Appeal) stand dismissed. No costs.

Sd/-
Deputy Registrar

/true copy/

Sub Asst. Registrar

msr/sl

TO:

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

2 The Commissioner of Income Tax (Appeals-1)
Coimbatore.

3 The Joint Commissioner of Income Tax Range-1,
Coimbatore.

+1cc to Mr.T.R.Senthil kumar, Advocate in sr.no.4232

TAX CASE APPEAL No. 890 of 2016

SSI(CO)
NR 25/09/2017