In the High Court of Judicature at Madras

Dated : 02.9.2020

Coram :

The Honourable Mr.Justice T.S.SIVAGNANAM

and

The Honourable Mrs.Justice PUSHPA SATHYANARAYANA

Tax Case Appeal No.375 of 2018

The Commissioner of Income Tax,
Chennai ...Appellant

Vs

M/s.Allsec Technologies Ltd.,
Chennai-18 ...Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 29.3.2017 made in ITA.No.2229/Mds/2016 on the file of the Income Tax Appellate Tribunal, Chennai 'C' Bench for the assessment year 2005-06, Appeal files against Income Tax Appellate Tribunal Madras ç' Bench Chennai, dated 29.03.2017 passed in ITA.No.2229/mas/2016. Assessment year 2005-2006 aginst The Commissioner of Income Tax Appears in ITA No.307/07-08 New no.ITA 16/c17(A)-1 2007-2008 dated 19.05.2016 PAN No.AACCA5106G. Assessment Year 2005-2006 against the Assistant Commissioner of Income Tax Company Circle-1(1), Chennai dated 29/11/2007 PAN NO.AAACA5106G/AX3-684 Assessment year 2005-2006.

For Appellant : Mrs.R.Hemalatha, SSC
For Respondent: Mr.R.Vijayaraghavan for M/s.Subbaraya Aiyer Padmanabhan

Judgment was delivered by T.S.Sivagnanam,J

We have heard Mrs.R.Hemalatha, learned Senior Standing Counsel appearing for the appellant – Revenue and Mr.R.Vijayaraghavan, learned counsel appearing for the respondent – assessee.

2. This appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 (for brevity, the Act), is directed

against the the order dated 29.3.2017 made in ITA.No.2229/Mds/2016 the file of the Income Tax Appellate Tribunal, Chennai 'C' Bench (for short, the Tribunal) for the assessment year 2005-06.

3. The appeal was admitted on 10.7.2018 on the following substantial question of law :

> "Whether deduction under Section 10A of the Income Tax Act, 1961 may be allowed without reducing the brought forward losses pertaining to the year subsequent to the assessment year and setting the same off against gains of business in the current year ?"

4. The issue raised in this appeal is covered by the decision of this Court in the case of M/s.Comstar Automative Technologies Private Ltd., Vs. DCIT [TCA.No.228 of 2011 dated 18.3.2020] in favour of the assessee. Further in the decision of this Court in the case of CIT Vs. M/s.Comstar Automotive Technologies Pvt. Ltd. [TCA.No.301 of 2019 dated 06.7.2020], to which, one of us (TSSJ) was a party, the above mentioned substantial question of law was decided against the Revenue following the said decision in TCA. No.228 of 2011 dated 18.3.2020, which judgment answered the only substantial question of law against the Revenue.

5. Following the above decisions, the above tax case appeal is dismissed and the substantial question of law is answered against the Revenue. No costs.

-s/d-

Assistant Registrar

True Copy

Sub-Assistant Registrar

To

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

2.The Commissioner of Income Tax Appeals-I
Chennai

3.The Assistant Commissioner of Income Tax
Company Circle 1(1)
Chennai.

+1cc to M/s.R.hemalatha, Advocate in SR.28701

+1cc to M/s.Subbarama Iyer in SR.28854

TCA.No.375 of 2018

VSN-II(CO)
RV(17/09/2020)