IN THE HIGH COURT OF JUDICATURE AT MADRAS
DATED: **09-12-2024**
CORAM
THE HONOURABLE DR JUSTICE ANITA SUMANTH
AND
THE HONOURABLE MR.JUSTICE G.ARUL MURUGAN

TC. 2632 of 2006
AND
TC. 2633 OF 2006

MADRAS CEMENTS LTD.,
98A, DR.RADHAKRISHNAN SALAI, MYLAPORE, CHENNAI-4

APPELLANT(S)

Vs

THE DY.COMMISSIONER OF INCOME
TAX, CIRCLE-1, VIRUDHUNAGAR I

RESPONDENT(S)

For Appellant(s): Mr.P.J.RISHIKESH

For Respondent(s):
M/S.J.NARAYANASAMY
FOR SOLE RESPONDENT, VIDE B/O DATED 13.02.2017

ORDER

(Order of the Court was made by the Hon'ble Anita Sumanth J)

It is pointed out that there is an error in order dated 24.10.2024 insofar as the tax impact is above the threshold as stipulated under Circular bearing No.9 of 2024 dated 17.09.2024. Hence, order dated 24.10.2024 is recalled and the following order is passed:

Heard. Mr.Rishikesh, learned counsel appearing for the appellant. The questions of law that arises for consideration in these appeals are as follows:

1. Whether in facts and circumstances of the case, the Tribunal was justified in allowing only $1/10^{th}$ under Section 35E as against the claim under Section 37?

2. Whether in facts and circumstances of the case the Assessee was entitled to deduction of expenses claimed in the sum Rs 23,03,670 /- for the A.Y 2000-2001 wrongly described as "Prospecting Expenses"?

3.Whether in facts and circumstances of the case the tribunal was justified in holding that the expenses incurred by the prospecting expenses as under Section 35 E (5)?

4.Whether in facts and circumstances of the case the Tribunal is right in holding that the appellant is entitled to get relief only under Section 35E of the Act in respect of expenditure in question ignoring that section 35 E is not applicable where the commercial production has started in the case of the Assessee?

5.Whether in facts and circumstances of the case the Appellant is entitled to relief under Section 801A of the income tax Act in respect of 650 TPD Kiln?

6.Whether in facts and circumstances of the case the tribunal was right in holding that the appellant is not entitled to get relief under section 80IA of the income tax Act, even though the new kiln is independent and a viable unit?

2. The aforesaid questions would have to be answered against the assessee as the same issues had arisen from the order of the Tribunal dated 26.12.2002 for the earlier assessment year as well (AY.1996-97) and the assessee/appellant has accepted the order of the Income Tax Appellate Tribunal. In view of the aforesaid position, the assessee does not seriously pursue these appeals.

3. Recording the above, both the Tax Case (appeals) are dismissed. No costs.

(ANITA SUMANTH J.) **(G.ARUL MURUGAN J.)**
09-12-2024

To
1. THE DY.COMMISSIONER OF INCOME TAX, CIRCLE-1, VIRUDHUNAGAR I

S.Lakshmi