IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 04.11.2024

CORAM :

THE HONOURABLE DR.JUSTICE ANITA SUMANTH
and
THE HONOURABLE MR.JUSTICE G. ARUL MURUGAN

T.C.A.No.1010 of 2009

Commissioner of Income Tax
Chennai. .. Appellant

vs

M/s.Teledata Informatics Limited
2AB, Gee Gee Emerald, 151, Village Road,
Nungambakkam,Chennai - 600 034. .. Respondent

Prayer : Appeal filed under Section 260A of the Income Tax Act against the order of the Income Tax Appellate Tribunal, Madras, 'C' Bench dated 31.03.2009 in ITA No. 1662/Mds/2008.

For Appellant : Mr.J.Narayanaswamy
Senior Standing Counsel

For Respondent : Not ready notice regarding.

JUDGMENT
(Delivered by Dr. ANITA SUMANTH.,J)

The substantial question of law that have been admitted in this case are as follows:-

> *"Whether on the facts and circumstances of the case, the Tribunal was right in holding that the amount of export proceeds not realised within the statutory time limit, should be excluded from the turnover as well as the profit?"*

2. This is an appeal filed by the Revenue for Assessment Year (AY) 2004 - 05. Notice has not been served on the assessee / respondent.

However, in view of the fact that the substantial question of law is covered in favour of the assessee and there would be no prejudice caused to the assessee / respondent by virtue of TCA being disposed without reference to it, we proceed to pass the following order.

3. The issue that arises is squarely covered by a ratio of the judgment of the Supreme Court in the case of *Commissioner of Income Tax v Lakshmi Machine Works* (290 ITR 667). The question relates to parity to be maintained between the numerator and the denominator in the computation of deduction under Section 80HHC, which question has been answered in favour of the assessee to say that such parity should be maintained.

4. The ratio of the aforesaid judgment would be applicable on all fours even in the context of deduction under Section 10A of the Act.

5. In this regard, we draw support from a decision of the Kerala High Court in the case of *Commissioner of Income-Tax v Abad Fisheries* (258 ITR 661), which proceeds along identical lines.

6. Hence the substantial question of law is answered in favour of the respondent / assessee and against the Revenue. This Tax Case Appeal is dismissed. No costs.

[A.S.M., J] [G.A.M., J]
04.11.2024

Index:Yes/No
Neutral Citation:Yes
ssm

DR. ANITA SUMANTH.,J.
and
G. ARUL MURUGAN.,J.

ssm

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