IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 15.10.2024

CORAM :

THE HONOURABLE MR.JUSTICE R. SURESH KUMAR
AND
THE HONOURABLE MR.JUSTICE C. SARAVANAN

T.C.A.No.181 of 2017

Principal Commissioner of Income Tax 3
No.63, Race Course Road
Coimbatore. .. Appellant

Vs.

M/s. Gajaananda Jewellery Maart P. Ltd.
Formerly known as TCS Textiles Pvt. Ltd.
No.68, College Road, Tirupur – 641 602
PAN: AAB CT 7921 K .. Respondent

Prayer: Appeal filed under Section 260-A of the Income Tax Act, 1961, against the order of Income Tax Appellate Tribunal Madras "D" Bench dated 24.03.2016 passed in I.T.A.No.1192/Mds/2015.

For the Appellant : Mr.Karthik Ranganathan
Senior Standing Counsel

For the Respondent : Mr.N.V.Balaji

JUDGMENT

(Order of the Court was made by R.SURESH KUMAR, J.)

The present tax case appeal was admitted on 14.03.2017 by this Court on the following substantial questions of law:-

"1. Whether the consideration received on sale of

carbon credits by the assessee, ought to be treated as a capital receipt or a revenue receipt?

2. Whether the losses suffered by the assessee qua derivative transactions, which are entered into for the purpose of hedging of foreign currency fluctuations are in the nature of business losses or speculative losses?"

2. It is submitted by the learned Senior Standing Counsel appearing for the appellant Revenue that this matter is covered under the Low Tax Effect as per the recent Circular dated 17.09.2024, in Circular No.9/2024.

3. Hence, this appeal stands dismissed, as covered under the low tax effect and the substantial questions of law arising in this appeal are kept open to be decided at the later point of time. There shall be no order as to costs.

(R.S.K., J.) (C.S.N, J)
15.10.2024

Neutral Citation:Yes/No

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R. SURESH KUMAR, J.

AND
C. SARAVANAN, J.

(drm)

T.C.A.No.181 of 2017

15.10.2024