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Order QR

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 28-10-2026

CORAM

THE HON'BLE DR.JUSTICE ANITA SUMANTH

AND

THE HON'BLE MR.JUSTICE S.KARTHIKEYAN

TCA No. 30 of 2016

CNR: {HCMA010940482016}

The Commissioner Of Income Tax
Chennai



..Appellant(s)

Vs

M/s A.V.Thomas Leathers and Allied Products
Ltd,
22, Marshalls Road,
Egmore,
Chennai 600 008

..Respondent(s)

Appeal filed under Section 260-A of the Income-Tax Act, 1961 against the order of the Income-Tax Appellate Tribunal, Madras 'D' Bench Chennai dated 08.05.2015 in ITA No. 2170/Mds/2013 for assessment year 2009 – 10.

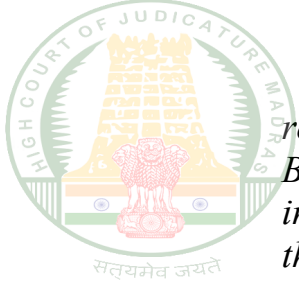
For Appellant(s): Mrs.V.Pushpa
Senior Standing Counsel

For Respondent(s): Ms.SAMYUKTHA BANUSEKAR
for Mr.R.SIVARAMAN

JUDGMENT*(Delivered by Dr.Anita Sumanth, J.)*

The substantial questions arising for consideration on 01.02.2016 in this appeal is as follows:-

(i) Whether on the facts and circumstances of the case, the Tribunal was right in directing the Assessing Officer to



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recompute the income in the light of the decision of the Special Bench in the case of Sak Foft by excluding the freight and insurance expenses both from the export turnover and also from the total turnover while computing deduction under Section 10A of the Income Tax Act ? and

(ii) Is not the finding of the Tribunal bad especially when Explanation 2(iv). to Section 10A defines the word 'Export - Turnover' whereby it had been clearly stated that it would not include freight, telecommunication charges attributable to the delivery of the articles or things or computer software outside India or expenses, if any, incurred in foreign exchange while computing deduction under Section 10A of the Income Tax Act?

2. Both Mrs.V.Pushpa, learned Senior Standing Counsel appearing for appellant and Ms.Samyuktha Banusekar, learned counsel appearing for respondent / assessee accede to the position that the issues has been covered by the judgment of the Supreme Court in *Commissioner of Income-Tax, Central – III v HCL Technologies Limited*¹. Hence the substantial questions are answered in favour of the assessee and adverse to the revenue.

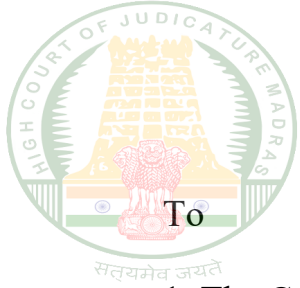
3. This Tax Case (Appeal) is dismissed. No costs.

(A.S.M, J.) (S.K, J.)
28-10-2026

Index: Yes/No
Speaking order
Neutral Citation: Yes

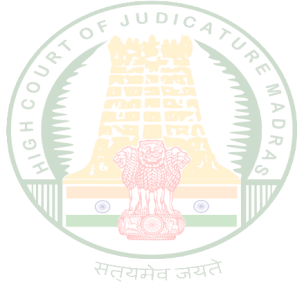
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¹404 ITR 719 (SC)



To

1. The Commissioner Of Income Tax, Chennai.
2. The Income-Tax Appellate Tribunal, Madras 'D' Bench, Chennai.



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DR.ANITA SUMANTH, J.
AND
S.KARTHIKEYAN, J.

ssm

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