Commissioner of Income Tax v. Ashok Leyland Ltd.

TC(A) No. 59 of 2004

TCA59/2004 (2007-03-21) | 2007-03-21

Revenue appeal on short-term capital loss in section 80 HHC computation dismissed; source reasoning requires careful reading.

80HHC | 80AB | 80B(5) | 260A

High Court of Judicature at Madras | Division Bench | Justice P.D. Dinakaran | Justice Chitra Venkataraman

Assessment years: 1990-91

Scope of this order

The assessee's appellate relief remained intact under the express operative conclusion.

01 FACTS OF THE CASE

For AY 1990-91, the assessing officer reduced business income by short-term capital loss when computing section 80 HHC deduction. CIT(A) and the Tribunal accepted computation without that reduction. Revenue appealed.

Source: PDF p. 1

02 DISCUSSION BY THE HON'BLE COURT

The Court discussed IPCA Laboratory and the relationship of sections 80 HHC, 80 AB and 80 B(5), referring to computation under the Act and the overriding effect of section 80 AB. It nevertheless expressly rejected Revenue's contention.

Source: PDF p. 2

03 JUDICIAL DECISION

The questions were answered against Revenue and the Tribunal's order was confirmed; the appeal was dismissed without costs.

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04 OUTCOME / IN WHOSE FAVOUR

The assessee's appellate relief remained intact under the express operative conclusion.

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05 EXPERT COMMENTS

Do not reverse the printed disposition — The discussion of gross-total-income computation may appear in tension with the stated result. Both must be disclosed: paragraphs 6 and 7 expressly dismiss Revenue's appeal and confirm the Tribunal.

Avoid turning a terse order into a universal computation rule — The source gives no worked computation resolving the relationship between the capital loss and the statutory deduction ceiling. It is unsafe to invent that reconciliation.

Keep the historical year and separate appeals clear — This appeal concerns AY 1990-91. Revenue noted that the earlier Tribunal order involved a different issue pending in TC 404 and 405/2004; those appeals are not disposed of here.

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SOURCE & VERIFICATION

Primary High Court order - verified local repository copy

Complete 3-page court PDF read for this correction.

Complete source text and every original page visually reviewed; identity and SHA-256 checked. AI-assisted source analysis.

Open cited source rendition

All 3 physical source pages read and visually inspected. SHA-256: 1ef6bb84aec58b3483fb267db48f1818c2aa330a1429c033cc98fa7f2d26b8de.

STATUTORY SCOPE

This note describes the provisions and historical period addressed by the supplied order; later statutory changes and subsequent treatment are not independently cleared.

LATER TREATMENT

Source checked 2026-10-21. Subsequent judicial treatment has not been independently verified.

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

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