

Commissioner of Income-Tax, Trivandrum v. Relish Goods

Civil Appeal No. 3255 of 1995

[1999] 1 SCR 992 | 1999-03-11

Whether the proved activity of buying, peeling and freezing shrimps established production qualifying for the section 80HH allowance for AY 1977-78, and whether the assessee should receive a late opportunity to add evidence.

80HH

Three-judge bench | S.P. Bharucha, J. | S.S. Mohammed Quadri, J. | R.C. Lahoti, J.

Assessment years: 1977-78

Limited process evidence and refused remand; source caption retained

The section 80HH claim failed for AY 1977-78 on this record of buying, peeling and freezing shrimps, with the stated commercial-identity reasoning. More elaborate processes described in other cases are not this assessee's facts. The Court refused a late evidentiary remand and reversed only the identified two-part question. The original report prints "Relish Goods"; no unverified caption correction or current-law extension is made. Comprehensive later treatment remains unverified.

01 FACTS OF THE CASE

For AY 1977-78, the assessee claimed the section 80HH allowance as an industrial undertaking manufacturing or producing articles. The record showed only that it bought shrimps, peeled and froze them; no detailed evidence showed what it did or how. The ITO rejected the claim, but CIT(A) and the Tribunal allowed it. The Kerala High Court followed Marwell Sea Foods and answered the two-part question for the assessee. Revenue appealed (physical pages 2–3).

Source: See the proposition-specific paragraph and PDF-page references below.

02 DISCUSSION BY THE HON'BLE COURT

Marwell Sea Foods had supplied a detailed account of its processes, producing factual findings on that evidence. The Court would not accept counsel's assertion that this assessee's process was the same in the absence of corresponding evidence. It also applied Sterling Foods' conclusion that the described processing left shrimps and prawns commercially the same commodity, and approved the Bombay High Court's use of that reasoning for section 80HH (physical page 3).

On the material before it, the Court rejected the finding of qualifying production. It declined the assessee's request to remand for a new detailed evidentiary record, considering it too late for the historical assessment year in issue (physical pages 3–4).

Source: See the proposition-specific paragraph and PDF-page references below.

03 JUDICIAL DECISION

Revenue's appeal was allowed. The High Court judgment and order were set aside only to the extent of the specified two-part question; both the production and section 80HH entitlement limbs were answered in the negative for Revenue. The request for remand was rejected and there was no order as to costs (physical page 4).

Source: See the proposition-specific paragraph and PDF-page references below.

04 OUTCOME / IN WHOSE FAVOUR

In whose favour: Revenue

Revenue appeal allowed; both limbs answered negatively; late evidentiary remand refused; no costs

Final denial of the claimed AY 1977-78 allowance on the proved processing record

Concerns section 80HH and the activity established here. It does not decide every possible seafood process, other statutory definitions or an unrelated assessment question.

Source: See the proposition-specific paragraph and PDF-page references below.

05 AKHB REVIEW POINT

Build the factual process record at the assessment and appellate stages. A business label, a bare reference to peeling/freezing or an assurance that another taxpayer did the same thing cannot replace evidence of the actual operations and their output. The comparison with Marwell turns on the evidence available, while the Court's commercial-identity reasoning remains part of the holding.

Keep the operative limit visible: only the two-part question was reversed, and no further chance to reconstruct the facts was granted. The physical report spells the respondent "Relish Goods"; that verified source caption is retained. Later statutory definitions, subsequent seafood cases and any alternative "Foods" citation have not been independently reconciled in this batch.

Source: See the proposition-specific paragraph and PDF-page references below.

PROPOSITION-SPECIFIC SOURCE PARAGRAPHS AND PDF PAGES

1.

Topic: Verified source caption, bench and appeal identity

Source url: [Open cited source](#)

Pdf pages: 1; 2

Paragraphs: Unnumbered judicial text

Source role: reported metadata and judicial text

2.

Topic: AY 1977-78, two-part question and limited established process

Source url: [Open cited source](#)

Pdf pages: 2

Paragraphs: Unnumbered judicial text

Source role: judicial text

3.

Topic: Marwell evidence distinction and Sterling Foods commercial-identity reasoning

Source url: [Open cited source](#)

Pdf pages: 3

Paragraphs: Unnumbered judicial text

Source role: judicial text

4.

Topic: Late remand refused and precisely limited operative order

Source url: [Open cited source](#)

Pdf pages: 4

Paragraphs: Unnumbered judicial text

Source role: judicial text

JUDICIAL AUTHORSHIP AND SEPARATE OPINIONS

S.P. Bharucha, J.

ACT IDENTIFIED IN THE REVIEWED SOURCE

Income-tax Act, 1961

SOURCE & VERIFICATION

[Hon'ble Supreme Court source PDF \(reported judgment\)](#)

Identified source rendition: 4 PDF pages; SHA-256

40858ee63ff90437265a9cf15c834fe084524d06fdf0d587efa8d2ab8a67ac61. Original bytes preserved.

Complete unnumbered judicial text physical pages 2–4/SCR 993–995; headnote and descriptions of processes in other cases distinguished.

[Open cited source rendition](#)

The cover and running headings visibly print “Relish Goods”. No unverified name correction to “Foods” is made.; Only peeling and freezing are established as this assessee’s operations. Cutting heads/tails, deveining and cleaning appear in discussion of Sterling Foods; the detailed process in Marwell is not imported into these facts.; The operative order expressly limits setting aside to the identified two-part question and refuses remand. It does not vacate every possible issue in the High Court order.; The source has typographical variants for Marwell/Harwell in discussing the earlier case; these do not identify a newly verified precedent.; The discussion of Sterling Foods and Marwell is read within this judgment only; the full independent originals and later treatment were not checked here.

STATUTORY SCOPE

No automatic mapping to the Income-tax Act, 2025 or present-law certification. Apply the statutory text for the relevant year.

LATER TREATMENT

Source checked 2026-10-04. Comprehensive subsequent judicial and statutory treatment has not been verified. Only the expressly identified bounded comparisons have been checked. No current-law or Income-tax Act, 2025 mapping is certified.

IDENTIFIED SOURCE LINKS

[reported judgment - PDF pages: 4](#)

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