(1989) 04 P&H CK 0077

In the Punjab And Haryana At Chandigarh

Case No : Income-tax Reference No. 43 of 1983

Commissioner of Income Tax APPELLANT

Vs

Laxmi Industries RESPONDENT

Date of Decision : 19-04-1989

Acts Referred:
Income Tax Act, 1961 — Section 80J

Citation : (1989) 179 ITR 637

Hon'ble Judges : S.S. Sodhi, J;Gokal Chand Mital, J

Bench : Division Bench

Advocate : Ashok Bhan and Ajay Mittal, for the Appellant; D.K. Gupta, for the Respondent

Judgement

S.S. Sodhi, J.—The matter here concerns the assessee''s claim for deduction u/s 80J of the Income Tax Act, 1961, the point in issue being whether the deduction is admissible to the assessee for the entire year even though the assessee had done the business in question for only 24 days during the relevant assessment year. The question of law referred in this behalf is in the following terms :

"Whether, on the facts and in the circumstances of the case, the Tribunal erred in holding that deduction u/s 80J was available to the assessee for the whole year although the industrial undertaking had functioned only for a part of the period of the accounting year relevant to the assessment year 1978-79 ?"

2. The question posed stands covered by our judgment in I. T. R No. 140 of 1979 (Commissioner of Income Tax Vs. Bhushan Industrial Co. (P.) Ltd., , decided on November 16, 1988, where it was held that deduction u/s 80J of the Act was admissible for the entire year irrespective of the period during which the new unit had worked in that assessment year. Following this judgment, this reference is consequently hereby answered in the negative, in favour of the assessee and against the Revenue. There will, however, be no order as to costs.

