IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX APPEAL NO.815 OF 2016

Pr.Commissioner of Income Tax-2 … Appellant

V/s.

Mobiappps India Pvt. Ltd. … Respondent

Mr.Suresh Kumar for the Appellant.

CORAM : AKIL KURESHI AND
M.S.SANKLECHA, JJ.
DATE : DECEMBER 10, 2018.

P.C.:-

1. This Appeal challenges the order dated 24th July, 2015 passed by the Income Tax Appellate Tribunal (Tribunal for short) relating to Assessment Year 2007-08.

2. Following question is presented for our consideration.

"Whether on the facts and circumstances of the case and in law, the Hon'ble Tribunal was justified in holding that business loss of non-eligible units cannot be set off against profits of units eligible for deduction u/s 10A of the Act?"

3. Perusal for the impugned judgment of the Tribunal would show that the Tribunal has relied on the decision of Karnataka High Court in case of **Commissioner of Income-tax Vs. Yokogawa India Ltd.**[1] We noticed that such decision of Karnataka High Court was challenged by the Revenue before the Supreme Court. Supreme Court by a detailed judgment reported in (2017)77 taxmann.com 41 held as under:

> "18. For the aforesaid reasons we answer the appeals and the questions arising therein, as formulated at the outset of this order, by holding that though Section 10A, as amended, is a provision for deduction, the stage of deduction would be while computing the gross total income of the eligible undertaking under Chapter IV of the Act and not at the stage of computation of the total income under Chapter VI. All the appeals shall stand disposed of accordingly."

4. The issue thus is squarely covered by virtue of judgment in case of **Yokogawa India Ltd.(supra).** Tax appeal is therefore dismissed.

(M.S.SANKLECHA,J.) **(AKIL KURESHI,J.)**

....

1 (2017)77 taxmann.com 41(SC)