

Carryforward & Set-off of Losses	Set off during the year				Carry forward & set-off				Relevant sections
	Same Head	Another Head	Against	Wheter return to be filed u/s 139(1)	C/F	Years	Against Profits from	Wheter return to be filed u/s 139(1)	
1. House Property	Yes	Yes but restricted to Rs. 2 lakhs for any A.Y.	Any Income	No	Yes	8 years	Same Head	No	70, 71, 71A, 71B
2. Speculation Business	Yes	No	Only from Speculation Profits	No	Yes	4 years	Same/another Speculation business	Yes	70, 71, 73
Unabsorbed Depreciation/ Capital expenses on Scientific Research/ Family Planning	Yes	Yes	Any Income (other than salary)	No	Yes	No Limit	Any Income (other than salary)	No	70, 71
Non Speculative business or profession	Yes	Yes	Any Income (other than salary)	No	Yes	8 Years	Same Head	Yes	70, 71, 72
3. Long term Capital Losses	Yes	No	Only LTCG	No	Yes	8 years	LTCG	Yes	70, 71, 74
Short term Capital Losses	Yes	No	STCG/LTCG	No	Yes	8 years	STCG/LTCG	Yes	70, 71, 74
4. Owning/maintaing race horses	Yes	No	Same Income only	No	Yes	4 Years	Same Income	Yes	70, 71, 74A
5. Losses pertaining to exempt incomes	Yes	No	NA (Same Income)	No	No	NA	NA	NA	Refer Case Laws
6. Specified Business u/s 35AD	Yes	No	Only from specified business profits	No	Yes	No Limit	Any specified business	Yes	70, 71, 73A

U/s 43(5), speculative transaction is defined to mean **“a contract for the purchase or sale of any commodity, including stocks and shares is periodically or ultimately settled otherwise than by the actual delivery or transfer of the commodity or scrips”**

However the following Transactions are **NOT** treated as speculative transactions: -

- 1) Hedging transactions
- 2) Trading in derivatives in shares through eligible stock exchange
- 3) Trading in derivatives in Commodities (where Commodities transaction tax (CTT) is paid)

Following transactions may happen in shares/commodities /securities: -

Particulars	Speculative/Non speculative
Delivery based trading in shares	Non-speculative
Intra Day trading	Speculative
Derivatives (Shares) (through Eligible stock exchange)	Non-speculative
Derivatives (Shares) (not through eligible stock exchange)	Speculative
Derivatives (commodities) (CTT paid)	Non-speculative
Derivatives (commodities) (CTT not paid)	Speculative
Derivatives (commodities) (Through Exchange, but CTT exempt)	Speculative
Derivatives (Agro commodities) (Through recognised association)(irrespective of CTT paid)	Non-speculative

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