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* IN THE HIGH COURT OF DELHI AT NEW DELHI

\+ ITA 777/2016 & CM No. 41555/2016

COMMISSIOONER OF INCOME TAX (INTERNATIONAL TAXATION-3) ..... Appellant

Through: Mr. Rahul Chaudhury, Adv.

versus

ROLLYS ROYCE MILITARY AERO ENGINES LTD. ..... Respondent

Through: Mr. Mukesh Butani, Mr. Gaurav Gupta and Mr. S.S. Tomar, Advs.

\+ ITA 778/2016 & CM No. 41557-41558/2016

COMMISSIONER OF INCOME TAX (INTERNATIONAL TAXATION) – 3 ..... Appellant

Through: Mr. Rahul Chaudhury, Adv.

versus

ROLLYS ROYCE MILITARY AERO ENGINES LTD. ..... Respondent

Through: Mr. Mukesh Butani, Mr. Gaurav Gupta and Mr. S.S. Tomar, Advs.

\+ ITA 779/2016 & CM No. 41559-41560/2016

COMMISSIONER OF INCOME TAX (INTERNATIONAL TAXATION-3) ..... Appellant

Through: Mr. Rahul Chaudhury, Adv.

versus

ROLLYS ROYCE MILITARY AERO ENGINES LTD ..... Respondent

Through: Mr. Mukesh Butani, Mr. Gaurav Gupta and Mr. S.S. Tomar, Advs.

\+ ITA 780/2016 & CM No. 41561-41562/2016

COMMISSIONER OF INCOME TAX (INTERNATIONAL TAXATION-3) ..... Appellant

Through: Mr. Rahul Chaudhury, Adv.

versus

ROLLYS ROYCE MILITARY AERO ENGINES LTD. ..... Respondent

Through: Mr. Mukesh Butani, Mr. Gaurav Gupta and Mr. S.S. Tomar, Advs.

\+ ITA 853/2016 & CM No. 44558-44559/2016

COMMISSIONER OF INCOME TAX (INTERNATIONAL TAXATION)- 3 ..... Appellant

Through: Mr. Rahul Chaudhury, Adv.

versus

ROLLS ROYCE MILITARY AERO ENGINES LTD. ..... Respondent

Through: Mr. Mukesh Butani, Mr. Gaurav Gupta and Mr. S.S. Tomar, Advs.

CORAM:
HON'BLE MR. JUSTICE S. RAVINDRA BHAT
HON'BLE MR. JUSTICE NAJMI WAZIRI

<u>O R D E R</u>

% **06.12.2016**

The issue urged by the Revenue in these appeals against the order of the Income Tax Appellate Tribunal (in short the ITAT) is the levy of interest under Section 234B of the Income Tax Act, 1961 (in short the Act) in the circumstances of the case in respect of payments received by the assessee, a non-resident, from the Indian Navy and Hindustan Aeronautics Ltd. (HAL). These were held to be deductible under Section 195 of the Act upon determination in that regard. The ITAT took note of the decision of this Court in ***DIT vs. G.E. Packaged Power Inc. (2015) 373 ITR 65*** and held against the Revenue.

That decision in our opinion covers the facts of these cases as well. We, furthermore, noticed that the amendment to Section 234B of the Act was made to cover a fact situation similar to the present one later i.e. for AY 2013-14 by virtue of an amendment carried out in 2012 the assessments in question relate to AY 1999-2000 to 2003-04.

No substantial question of law arises in these appeals. They are, consequently, dismissed.

S. RAVINDRA BHAT, J

NAJMI WAZIRI, J

DECEMBER 06, 2016/kk