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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
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\+ **ITA 254/2017**

PRINCIPAL COMMISSIONER OF
INCOME TAX-8 ..... Appellant
Through: Mr. Sanjay Kumar and Mr. Dileep Shivpuri, Advocates

versus

SSIPL LUXURY FASHION PRIVATE LIMITED ..... Respondent
Through: Mr. P. Roychaudhuri, Advocate

CORAM: JUSTICE S. MURALIDHAR
JUSTICE CHANDER SHEKHAR

O R D E R

% **28.04.2017**

1. The issue as urged by the Revenue in this appeal against the order dated 29th September 2016 passed by the Income Tax Appellate Tribunal (ITAT) in ITA No. 5368/Del/2012 for the Assessment Year 2009-10 is that a premium of Rs. 6 crores received pursuant to a Business Transfer Agreement (BTA), whereby the Assessee transferred its business to Neila Retail Private Limited, should have been added to its income.

2. The facts are that the holding company of the Assessee was party to the aforementioned BTA and the premium amount of Rs. 6 crores was paid to it. The Income Tax Appellate Tribunal has ('ITAT') in the impugned order dated 29th September, 2016 found that the entire sum of Rs. 6 crores was assessed as income in the hands of the holding company. In the

circumstances, it was held by the ITAT, and in our view rightly, that the said income of Rs. 6 crores having already been taxed in the hands of the holding company could not be taxed again in the hands of its subsidiary i.e. the Assessee. Accordingly the addition of the said amount was deleted. In doing so, the ITAT has followed several earlier precedents including the decision of the Supreme Court in ***Laxmipat Singhania v. CIT (1969) 72 ITR 291 (SC).*** For the same reason the addition of the amount constituting the 'store deposit' was also deleted.

3. The deletion by the ITAT of both the above additions cannot be said to be erroneous in law. No substantial question of law arises.

4. The appeal is dismissed.

S. MURALIDHAR, J

CHANDER SHEKHAR, J

APRIL 28, 2017
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