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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ ITA 127/2017 & CM Nos. 4906-4907/2017

THE PR. COMMISSIONER OF INCOME TAX-4 ..... Appellant
Through: Mr. Ruchir Bhatia, Adv.

versus

M/S HONDA SIEL POWER PRODUCT LTD. ..... Respondent
Through: Mr. Neeraj Jain and Mr. Aniket D. Agrawal, Advs.

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

O R D E R

% 07.03.2017

The Revenue urges two questions of law in this appeal under Section 260A of the Income Tax Act, 1961. Firstly, it is argued that the AMP expenditure could not have been allowed by the ITAT. On this the ITAT had followed its previous orders as well as the orders of this Court of the previous years' in the assessee's case. This question of law, therefore, does not arise.

As far as the other issue i.e. treatment of expenditure towards shifting/ relocation are concerned, out of the eleven heads, the AO accepted eight and added back amounts towards three, holding that there is ultimately an enduring capital advantage. The ITAT took note of the several judgments of the High Courts. In doing so, the ITAT also took note of the Revenue's contention which had relied upon the older decisions of the various High Courts. Revenue relies upon the ruling in ***Sitalpur Sugar Works V. CIT (1963) 49 ITR (SC) 160*** to say that shifting and relocation expenses can never be treated as falling in the Revenue's stream.

This Court is of the opinion that the ITAT in the impugned decision cannot be faulted and given the later developments especially the law declared in ***Empire Jute Co. Ltd. vs CIT (1980) 124 ITR 1 (SC)*** and ***Alembic Chemicals Works Co. Ltd. vs CIT (1989) 177 ITR 377 (SC)***.

In these circumstances, no questions of law arise. The appeal is, therefore, dismissed.

S. RAVINDRA BHAT, J

NAJMI WAZIRI, J

MARCH 07, 2017/kk