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

\+ ITA 3/2017

PR. COMMISSIONER OF INCOME TAX- 6 ..... Appellant
Through : Sh. Zoheb Hossain, Sr. Standing Counsel, for the Revenue.

versus

MEDIA TRANSASIA INDIA LTD. ..... Respondent
Through : None.

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

O R D E R

% 09.01.2017

The Revenue in this appeal urges three questions of law – with respect to expenditure of ₹17,66,407/- towards prior periods and ₹2,24,23,100/- as capital expenditure on account of the assessee's contribution to the joint venture. It was urged that the disallowance to the extent of ₹2,16,78,914/-, *inter alia* by treatment of a larger amount as capital expenditure, was also justified. The Revenue furthermore relies upon the judgment of the Supreme Court in *Brooke Bond India Limited v. CIT, Calcutta* 1997 (10) SCC 362 as far as the addition of ₹1,10,300/- is concerned and contends that legal expenses were not in the nature of commission as held by the Income Tax Appellate Tribunal (ITAT).

This Court is of the opinion that the first two questions sought to be urged, i.e. treatment of ₹17,66,407/- and disallowance of ₹2,16,78,914/-, are essentially factual. Moreover, the findings of the authorities are concurrent on this. With respect to the surviving question, i.e. treatment of ₹1,10,300/-, whilst the Revenue's contentions appear justified, the tax effect is far below the prescribed limit. The appeal is, therefore, dismissed as unmerited.

S. RAVINDRA BHAT, J

NAJMI WAZIRI, J

JANUARY 09, 2017/ajk