IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH
****

204 **ITA-677-2008 (O&M)**
Date of Decision: 05.02.2026

COMMISSIONER OF INCOME TAX ...Appellant

Vs.

M/S HINDUSTAN UNILEVER LTD. …Respondents

CORAM:- HON'BLE MR. JUSTICE JAGMOHAN BANSAL
HON'BLE MR. JUSTICE AMARINDER SINGH GREWAL

Present:- Ms. Urvashi Dhugga, Sr. Standing Counsel with
Mr. Vaibhav Gupta, Jr. Standing Counsel and
Ms. Kavita, Advocate for Income Tax

Mr. Rohit Jain, Advocate *(through V.C.)* and
Mr. Abhishek Sharma, Advocate for the assessee
***

<u>JAGMOHAN BANSAL, J. (ORAL)</u>

1. The appellant through instant appeal under Section 260A of the Income Tax Act, 1961 (for short '1961 Act') is seeking setting aside of order dated 28.05.2008 passed by Income Tax Appellate Tribunal, Chandigarh (for short 'ITAT').

2. The appellant has raised following questions for adjudication by this Court:-

i. Whether on the facts and in the circumstances of the case the ITAT was right in law in upholding the order of the CIT (A) in deleting the disallowance of claim for deduction u/s 80-IB of the 1961 Act, in as much as the machineries had been installed in the same existing factory premises, which were in the nature of routine replacements with better capacity?

ii. Whether on facts and in the circumstances of the case, the ITAT is right in law in treating the expenditure incurred on promotional and trade marketing as revenue expenditure, when the purpose of the expenditure & its intended reality is to obtain benefit of enduring nature?

iii. Whether on the facts and circumstances of the case, the ITAT was right in allowing deduction u/s 43B of the 1961 Act for tax duty etc. on payment basis before incurring of the liability to pay such amounts?

iv. Whether on the facts and circumstances of the case, the e ITAT was right in law in holding that for the purpose of computation of deduction u/s 80HHC profit is not to be reduced by profit allowed as deduction under section 80IB of the Act?

3. Learned counsel for the parties are *ad idem* that question No.1 stands answered by this Court vide order dated 19.01.2026 in *ITA-269-2009*, question No.2 by order dated 04.02.2026 in *ITA-267-2009*, question No.3 by order dated 04.02.2026 in *ITA-325-2016* and question No.4 stands answered by Hon'ble Supreme Court in ***"Shital Fibers Limited Vs. CIT",*** **2025 SCC OnLine SC 1178.**

4. The questions raised by appellant are answered in terms of aforesaid orders of this Court and Supreme Court.

5. Pending application(s), if any, stands disposed of.

(JAGMOHAN BANSAL)
JUDGE

(AMARINDER SINGH GREWAL)
JUDGE

February 05, 2026
Deepak DPA

Whether Speaking/reasoned Yes/No
Whether Reportable Yes/No

DEEPAK BISSYAN
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I attest to the accuracy and integrity of this document