
(2007) 08 RAJ CK 0052
In the Rajasthan High Court

Commissioner of Income Tax

APPELLANT

Vs

Dr. A.M. Singhvi

RESPONDENT

Date of Decision : 23-08-2007

Acts Referred:

Income Tax Act, 1961 — Section 260A, 37

Citation : (2007) 212 CTR 1 : (2008) 302 ITR 26

Hon'ble Judges : P.B. Majmudar, J; Manak Lall Mohta, J

Bench : Division Bench

Final Decision : Dismissed

Judgement

P.B. Majmudar, J.—This appeal is directed against the judgment delivered by Tribunal, Jodhpur Bench, Jodhpur, in ITA No. 395/1999, by which the Tribunal dismissed the appeal filed by Revenue and affirmed the order passed by CIT(A).

2. The question which requires consideration in this appeal is whether the expenditure incurred by respondent-assessee in connection with renovation of his office be treated as capital expenditure or the revenue expenditure?

3. The respondent-assessee is an advocate mainly practicing before the Supreme Court of India. For the relevant asst. yr. 1996-97, he disclosed his professional receipts at Rs. 1,40,78,129 for the previous year. Besides professional receipts, the assessee also derived income from house property, dividend, interest, agricultural income, etc. In all, for the relevant previous year, the assessee claimed an expenditure of Rs. 12,43,902 under the head "Office repairs and maintenance". During the aforesaid period, the assessee, who was occupying a rented premises had carried out certain repairs and renovation in his office premises used for the profession. The AO, after considering the aspect of current repairs, treated the said expenditure incurred to the extent of Rs. 7,07,018 as capital expenditure and disallowed the same u/s 37 of the Act. Against the decision of AO, dt. 30th Dec, 1998, the respondent-assessee preferred an appeal before the CIT(A), Jodhpur. The CIT(A) vide its order dt. 28th April, 1999 allowed

the said appeal bearing No. 652/1998-99 and deleted the addition of Rs. 7,07,018 by holding that the office premises was not owned by the assessee as he was occupying the premises as a tenant and that he was required to incur the expenditure for repairing/renovating the office premises. The CIT(A), accordingly found that the said expenditure was required to be deducted u/s 37 of the Act. The Revenue challenged the aforesaid decision of the CIT(A) by preferring appeal before the Tribunal, Jodhpur. The Tribunal, by the impugned order dt. 29th Aug., 2003, dismissed the said appeal by holding that the expenditure in question is revenue expenditure and deductible u/s 37 of the Act. The Tribunal, accordingly, confirmed the decision of the CIT(A). Being aggrieved by the aforesaid decision of the Tribunal, the Revenue has preferred this IT appeal u/s 260A of the IT Act, 1961. This Court formulated following substantial question at the time of admission of this appeal on 12th July, 2004:

Whether on the facts and in the circumstances of the case, the Tribunal was justified in law in deleting the additions made by the AO on account of disallowance of capital expenditure of Rs. 7,07,018 being incurred on extensive repairs and renovation of office premises and the finding of the Tribunal is perverse ?

4. Learned advocate, Mr. Bissa, appearing for the appellant vehemently submitted that the Tribunal as well as the CIT(A) have erred in treating the expenditure in question as revenue expenditure and that it should have been held as capital expenditure. It is submitted by Mr. Bissa that looking to the quantum of expenditure, the amount spent for renovation is required to be treated as capital expenditure in nature and that the Tribunal as well as the CIT(A) committed an error in treating the same as revenue expenditure. It is also submitted by Mr. Bissa that the respondent-assessee being tenant of the premises and having spent such a huge amount on renovation, cannot be permitted to say that the expenditure is a revenue expenditure and in the facts and circumstances it should be treated as the capital expenditure and the AO was justified in coming to the conclusion that the said amount is not deductible and that the same is required to be included in the total holding (sic) of the assessee. Mr. Bissa has relied upon the judgment of the Supreme Court in the case of Assam Bengal Cement Co. Ltd. Vs. The Commissioner of Income Tax, West Bengal, as well as on the Division Bench decision of Orissa High Court in ORISSA ROAD TRANSPORT CO. LTD. Vs. COMMISSIONER OF Income Tax, BIHAR AND ORISSA.,

5. Learned advocate, Mr. Singhvi, appearing for the respondent, on the other hand, submitted that on appreciation of evidence, it has rightly been held by the Tribunal as well as by the CIT(A) that the expenditure in question is a revenue expenditure. It is also submitted that the assessee has not acquired anything by such renovations. Mr. Singhvi further submitted that it is not a case where even by such renovation the respondent has got any benefit by way of reduction in rent, It is submitted that the premises in question is a rented premises and with

an object to see that the respondent can properly handle his professional work and in order to see that some more facilities are available to the clients, certain repairs were required to be carried out, which were carried out during the previous year and on that basis the assessee was entitled to claim deduction of the said expenditure as per Section 37 of the Act. It is submitted by Mr. Singhvi that it is not in dispute that the renovation or repairs were carried out in the premises which were used by the assessee as office for the purposes of his profession and it is not relevant that for such repairs considerable amount has been spent by the respondent-assessee as the question cannot be decided on the basis of quantum of expenditure incurred by the assessee and if the assessee is entitled in law to such deduction for treating the expenditure as revenue expenditure, such benefit cannot be denied simply on the ground that a substantial amount was spent on repairs/renovation. It is submitted that the Tribunal as well as the CIT(A) were perfectly justified in treating the said expenditure as revenue expenditure. It is submitted that neither the Tribunal nor the CIT(A) committed any error of law much less any substantial error of law which is required to be corrected by this Court in the present appeal. Mr. Singhvi has relied upon the decision in the case of Commissioner of Income Tax Vs. J.K. Industries (P.) Ltd., as well as on Alembic Chemical Works Co. Ltd. v. CIT : [1989]177ITR377(SC) so also the Division Bench judgment of this Court in the case of Commissioner of Income Tax Vs. Rajasthan Spg. and Wvg. Mills Ltd.,

6. We have heard both the learned Counsel in detail. We have also gone through the judgment of the Tribunal as well as CIT(A) so also the order passed by the AO.

7. The principal question which requires consideration is whether the expenditure incurred by the respondent-assessee in connection with renovation/repairs of his office can be treated as revenue expenditure or a capital expenditure.

8. In the case of Orissa Road Transport Co. Ltd. v. CIT (supra), it has been held as under:

It is now well settled that it is difficult to lay down exhaustive tests which will demonstrate the field between the two types of expenditure, capital and revenue. It would depend upon the facts and circumstances of each case. One test is however clear, that is, if the expenditure relates to the domain of running the business concern, then ordinarily, it would be revenue expenditure. If, on the other hand, the expenditure is made to acquire a certain business or to free the business of the assessee from competition, then the expenditure is one of a capital nature. The ultimate conclusion would depend on the character of the expenditure. The position of law has been very succinctly put in Assam Bengal Cement Co. Ltd. Vs. The Commissioner of Income Tax, West Bengal, their Lordships observed thus:

The fact, however, that it was a recurring payment was immaterial, because one had got to look to the nature of the payment which, in its turn, was determined

by the nature of the asset which the company had acquired. The asset which the company had acquired in consideration of this recurring payment was in the nature of a capital asset, the right to carry on its business unfettered by any competition from outsiders within the area.

The aforesaid principle applies, in terms, to the present case. The assessee company acquired the unexpired permits and thereby got rid of competition from private operators who were on the field prior to the acquisition. The investment was clearly one of a capital nature. The Tribunal correctly answered the question of law.

In the aforesaid judgment, on the basis of facts of the aforesaid case, the Orissa High Court held that the assessee company acquired the unexpired permits and thereby got rid of competition from private operators and under the circumstances found that it was a case of capital expenditure. Nonetheless, it was held by the Orissa High Court that it would depend upon the facts and circumstances of each case whether the expenditure in question is revenue or capital.

9. In the case of *Empire Jute Co. Ltd. Vs. Commissioner of Income Tax*, the Hon^{ble} Supreme Court has observed in para 11 as under:

Now so long as the expenditure in question can be clearly referred to the acquisition of an asset which falls within one or the other of these two categories, such a test would be a critical one. But this test also sometimes breaks down because there are many forms of expenditure which do not fall easily within these two categories and not infrequently, as pointed out by Lord Radcliffe in *Commr. of Taxes v. Nchanga Consolidated Copper Mines Ltd.* (1965) 58 ITR 241, the line of demarcation is difficult to draw and leads to subtle distinctions between profit that is made "out of assets and profit that is made "upon" assets or "with" assets. Moreover, there may be cases where expenditure, though referable to or in connection with fixed capital, is nevertheless allowable as revenue expenditure. An illustrative example would be of expenditure incurred in preserving or maintaining capital assets. This test is therefore clearly not one of universal application. But even if we were to apply this test, it would not be possible to characterise the amount paid for purchase of loom hours as capital expenditure, because acquisition of additional loom hours does not add at all to the fixed capital of the assessee. The permanent structure of which the income is to be the produce or fruit remains the same; it is not enlarged. We are not sure whether loom hours can be regarded as part of circulating capital like labour, raw material, power etc., but it is clear beyond doubt that they are not part of fixed capital and hence even the application of this test does not compel the conclusion that the payment for purchase of loom hours was in the nature of capital expenditure.

The Revenue, however, contended that by purchase of loom hours the assessee acquired a right to produce more than what it otherwise would have been

entitled to do and this right to produce additional quantity of goods constituted addition to or augmentation of its profit-making structure. The assessee acquired the right to produce a larger quantity of goods and to earn more income and this, according to the Revenue, amounted to acquisition of a source of profit or income which though intangible was nevertheless a source or "spinner" of income and the amount spent on purchase of this source of profit or income, therefore, represented expenditure of capital nature. Now it is true that if disbursement is made for acquisition of a source of profit or income, it would ordinarily, in the absence of any other countervailing circumstances, be in the nature of capital expenditure. But we fail to see how it can at all be said in the present case that the assessee acquired a source of profit or income when it purchased loom hours. The source of profit or income was the profit-making apparatus and this remained untouched and unaltered. There was no enlargement of the permanent structure of which the income would be the produce or fruit. What the assessee acquired was merely an advantage in the nature of relaxation of restriction on working hours imposed by the working time agreement, so that the assessee could operate its profit-earning structure for a longer number of hours. Undoubtedly, the profit-earning structure of the assessee was enabled to produce more goods, but that was not because of any addition or augmentation in the profit-making structure, but because the profit-making structure could be operated for longer working hours. The expenditure incurred for this purpose was primarily and essentially related to the operation or working of the looms which constituted the profit-earning apparatus of the assessee. It was an expenditure for operating or working the looms for longer working hours with a view to producing a larger quantity of goods and earning more income and was, therefore, in the nature of revenue expenditure. We are conscious that in law as in life, and particularly in the field of taxation law, analogies are apt to be deceptive and misleading, but in the present context, the analogy of quota right may not be appropriate. Take a case where acquisition of raw material is regulated by quota system and in order to obtain more raw material the assessee purchases quota right of another. Now it is obvious that by purchase of such quota right, the assessee would be able to acquire more raw material and that would increase the profitability of his profit-making apparatus, but the amount paid for purchase of such quota right would indubitably be revenue expenditure, since it is incurred for acquiring raw material and is part of the operating cost. Similarly, if payment has to be made for securing additional power every week, such payment would also be part of the cost of operating the profit-making structure and hence in the nature of revenue expenditure, even though the effect of acquiring additional power would be to augment the productivity of the profit-making structure.

10. In order to substantiate his say, Mr. Bissa has heavily relied upon the case of Assam Bengal Cement Co. Ltd. v. CIT (supra). The Hon^{ble} Supreme Court in a subsequent decision in the case of Commissioner of Income Tax, Tamil Nadu II, Madras Vs. Madras Auto Service (P) Ltd., has considered the aspect about capital

expenditure and revenue expenditure. In the said judgment, the Supreme Court has also considered the decision in *Assam Bengal Cement Co. Ltd. v. CIT* (supra). The relevant observations of the Supreme Court at p. 472 onwards are as under:

The assessee in the present case has spent the amounts in question in order to construct a new building after demolishing the old building. The new building, however, from inception was to belong to the lessor and not to the assessee. The assessee, however, had the benefit of the existing lease in respect of the new building at the agreed rent for a period of 39 years. The Tribunal has found, as a fact, that the rent as stipulated in the lease was extremely low. It has said that the area of the building was somewhere about 7,000 sq.ft. The rental rate for the area in which the building was situated was much higher and would be not less than Rs. 12,000 as against which the maximum rent the assessee would be paying was only Rs. 2,000. This concessional rent was on account of the fact that the new building was constructed by the assessee at its own cost.

In order to decide whether this expenditure is revenue expenditure or capital expenditure, one has to look at the expenditure from a commercial point of view. What advantage did the assessee get by constructing a building which belonged to somebody else and spending money for such construction? The assessee got a long lease of a newly constructed building suitable to its own business at a very concessional rent. The expenditure, therefore, was made in order to secure a long lease of new and more suitable business premises at a lower rent. In other words, the assessee made substantial savings in monthly rent for a period of 39 years by expending these amounts. The saving in expenditure was saving in revenue expenditure in the form of rent. Whatever substitutes for revenue expenditure should normally be considered as revenue expenditure. Moreover, assessee in the present case did not get any capital asset by spending the said amounts. The assessee, therefore, could not have claimed any depreciation. Looking to the nature of the advantage which the assessee obtained in a commercial sense, expenditure appears to be revenue expenditure.

The test for distinguishing between capital expenditure and revenue expenditure in our country was laid down by this Court in *Assam Bengal Cement Co. Ltd. v. CIT* (supra). In that case, the appellant company had acquired from the Government of Assam lease of certain limestone quarries for a period of 20 years for the purpose of manufacture of cement. The lessee had, inter alia, agreed to pay an annual sum during the whole period of the lease as a protection fee and in consideration of that payment, the lessor undertook not to grant to any person any lease, permit or prospecting licence for limestone. This Court examined tests laid down in various cases for distinguishing between capital expenditure and revenue expenditure. One of the standard tests now in use was laid down in the case of *Atherton v. British Insulated & Helsby Cables Ltd.* (1925) 10 Tax Cas 155.

It said (p. 40 of 27 ITR) : "When an expenditure is made, not only once and for all but with a view to bringing into existence an asset or an advantage for the enduring benefit of a trade, I think that there is very good reason (in the

absence of special circumstances leading to an opposite conclusion) for treating such an expenditure as properly attributable not to revenue but to capital". Whether by spending the money any advantage of an enduring nature has been obtained or not will depend upon the facts of each case. Moreover, as the above passage itself provides, this test would not apply if there are special circumstances pointing to the contrary. This Court in the above case summarised the tests as follows (p. 44):

1. Outlay is deemed to be capital when it is made for the initiation of a business, for extension of a business, or for a substantial replacement of equipment.
2. Expenditure may be treated as properly attributable to capital when it is made not only once and for all, but with a view to bringing into existence an asset or an advantage for the enduring benefit of a trade....If what is got rid of by a lump sum payment is an annual business expense chargeable against revenue, the lump sum payment should equally be regarded as a business expense, but if the lump sum payment brings in a capital asset, then that puts the business on another footing altogether.
3. Whether for the purpose of the expenditure, any capital was withdrawn, or, in other words, whether the object of incurring the expenditure was to employ what was taken in as capital of the business. Again, it is to be seen whether the expenditure incurred was part of the fixed capital of the business or part of its circulating capital."

Relying upon the second test enumerated above, learned Counsel for the appellant has submitted that the assessee got enduring benefit of a capital nature by spending the amount because the assessee obtained a new building for a period of 39 years. The difficulty, however, in the present case, arises from the fact that this building was never to belong to the assessee. Right from inception, the building was of the ownership of the lessor. Therefore, by spending this money, the assessee did not acquire any capital asset. The only advantage which the assessee derived by spending the money was that it got the lease of a new building at a low rent. From the business point of view, therefore, the assessee got the benefit of reduced rent. The High Court has, therefore, rightly considered this as obtaining a business advantage. The expenditure is, therefore, to be treated as revenue expenditure.

Although there are a number of cases dealing with this question, we will limit ourselves to examining a few cases where the assessee, by expending money, created an asset of an enduring nature. However, the asset so created did not belong to the assessee. In such a situation the Courts have held that the expenditure was for better carrying on of the business of the assessee and could be allowed as revenue expenditure, looking to the circumstances of each of those cases. Thus, in *Lakshmiji Sugar Mills Co. P. Ltd. Vs. Commissioner of Income Tax, New Delhi*, the assessee company was carrying on the business of manufacture and sale of sugar. It paid to the Cane Development Council certain amounts by

way of contribution for the construction and development of roads between various sugarcane-producing centres and the sugar factories of the assessee. The roads remained the property of the Government. This Court held that the expenditure was not of a capital nature and had to be allowed as an admissible deduction in computing the profits of the assessee's business. The expenditure was incurred for the purpose of facilitating the running of the assessee's motor vehicles and other means employed for transportation of sugarcane to its factories.

In the case of *L.B. Sugar Factory and Oil Mills (P) Ltd., Pilibhit Vs. Commissioner of Income Tax, U.P., Lucknow*, the assessee was carrying on the business of manufacture and sale of sugar. It had its factory in Uttar Pradesh. The assessee paid a contribution towards meeting the cost of construction of roads in the area around its factory under a sugarcane development scheme. The question was whether this amount was deductible in computing the assessee's profits. The Court held that it was. Because although the advantage secured was of long duration, it was not an advantage in the capital field because no tangible or intangible asset was acquired by the assessee; nor was there any addition to or expansion of the profit-making apparatus of the assessee. The amount was contributed for the purpose of facilitating the business of the assessee and making it more efficient and profitable. It was, therefore, revenue expenditure.

In the case of *Commissioner of Income Tax, Bombay City-I, Bombay Vs. Associated Cement Companies Ltd., Bombay*, the respondent company entered into an agreement to supply water to the municipality and provide water pipelines as also to supply electricity for street lighting and put up a transmission line for that purpose. The assessee also agreed to concrete the main road from the factory to the railway station. The amounts expended for these purposes were held to be revenue expenditure since the installations and accessories were the assets of the municipality and not of the assessee. The expenditure, therefore, did not result in creating any capital asset for the company. The advantage secured by the respondent was immunity from liability to pay municipal rates and taxes for a period of 15 years. This Court said that had these liabilities been paid, the payments would have been on revenue account. Therefore, the advantage secured was in the field of revenue and not capital.

In the case of *COMMISSIONER OF INCOME TAX Vs. BOMBAY DYEING and MANUFACTURING CO. LTD.*, the company contributed to the State Housing Board certain amounts for construction of tenements for its workers. The tenements remained the property of the housing board. It was held that the expenditure was incurred wholly and exclusively on the welfare of the employees and, therefore, constituted legitimate business expenditure. As the assessee company acquired no ownership rights in the tenements, this Court said that the expenditure was incurred merely with a view to carry on the business of the company more efficiently by having a contented labour force.

All these cases have looked upon expenditure which did bring about some kind of

an enduring benefit to the company as a revenue expenditure when the expenditure did not bring into existence any capital asset for the company. The asset which was created belonged to somebody else and the company derived an enduring business advantage by expending the amount. In all these cases, the expense has been looked upon as having been made for the purpose of conducting the business of the assessee more profitably or more successfully. In the present case also, since the asset created by spending the said amounts did not belong to the assessee but the assessee got the business advantage of using modern premises at a low rent, thus saving considerable revenue expenditure for the next 39 years, both the Tribunal as well as the High Court have rightly come to the conclusion that the expenditure should be looked upon as revenue expenditure.

11. In the case of CIT v. J.K. Industries (P) Ltd. (supra), the assessee's contention before the Tribunal that wooden panelling did not last long and as such was not enduring asset, was accepted and the Division Bench of the Calcutta High Court found that the expenses incurred in putting up the wooden panelling did not result in any enduring benefit to the assessee and, therefore, was deductible as a revenue expenditure.

12. In the case of CIT v. Rajasthan Spinning & Weaving Mills Ltd. (supra), the relevant observations made by the Division Bench of this Court are as under:

In Commissioner of Income Tax, Tamil Nadu II, Madras Vs. Madras Auto Service (P) Ltd., , the Supreme Court recorded its agreement with the principles laid down in Commissioner of Income Tax, Bombay City-I, Bombay Vs. Associated Cement Companies Ltd., Bombay, COMMISSIONER OF INCOME TAX Vs. BOMBAY DYEING and MANUFACTURING CO. LTD., , L.B. Sugar Factory and Oil Mills (P) Ltd., Pilibhit Vs. Commissioner of Income Tax , U.P., Lucknow, The principle was applied in a case where the assessee obtained certain premises for a period of 39 years. Under the terms of the agreement it was entitled to demolish the construction of the leased premises and reconstruct the premises for its own business requirement. On construction of such premises, it was, to become the property of the lessor and the assessee was to pay the rent at a reduced rate as detailed in the lease agreement. The assessee raised the new building at its own cost and Was running business in the said building as lessee. The Revenue has disallowed the claim of the assessee for deduction of the amount for reconstructing the building by holding it to be a capital outlay. However, the Tribunal found in favour of the assessee since the assessee had acquired no interest by way of ownership right in the newly constructed building, as under the lease agreement, it was to become the property of the lessor. The amount spent by him for constructing the building must be held to be revenue expenditure as a part of the total lease money to be paid by him by different mode. The High Court affirmed the finding of the Tribunal. The Supreme Court on appeal by the Revenue while dismissing the appeal held that by spending his money, the assessee did not acquire any capital asset. The only advantage which

the assessee derived by spending the money was that it got the lease of a new building at a low rent. From the business point of view, therefore, the assessee got the benefit of reduced rent. The High Court had, therefore, rightly considered this as obtaining a business advantage. The expenditure was, therefore, to be treated as revenue expenditure.

From the aforesaid judgments of the Supreme Court, it is apparent that merely because the amount spent has been used for construction of a building or structure of permanent nature is not the decisive test for holding the expenses to be of capital outlay or revenue outlay. The two tests emerging from the aforesaid decisions are that firstly where the building or construction of any permanent structure is brought into existence that is by itself is not sufficient to hold the expenses to be capital nature invariably. Where such construction does not result in acquisition of any capital assets to the trade of the assessee or the property does not become the property of the assessee, it does not result in acquisition of capital assets of enduring nature by the assessee. Secondly, it is also clearly discernible that if such expenses are incurred for the purpose of business for deriving any benefit whether to preserve the business or to facilitate the running of the business more smoothly or to make the business more profitable or to secure any other advantage for the assessee's business or incurring expenditure by seeking exemption from or reduction in incurring of other expenses which would have been ordinarily allowable as revenue expenditure of the assessee's business, such expenses are to be treated as having been incurred wholly and exclusively for the business of the assessee and revenue expenditure. Such expenses cannot be construed as a capital expenses.

13. Considering various case laws on the subject, we are of the opinion that in the instant case, the assessee, who is lessee of the premises, has carried out certain renovations in order to see that the office premises is kept in a proper condition and the professional activities are carried out effectively and smoothly for which certain repairs were carried out by the assessee in the rented premises. In our view, the quantum of expenditure is not relevant for determining the issue in question. On appreciation of evidence both the fact finding authorities, i.e., CIT(A) as well as the Tribunal have found that the expenditure in question was a revenue expenditure. The expenditure incurred by the assessee was not for the purpose of bringing into existence any such asset or advantage but incurred for running the profession effectively and in smooth manner. It cannot be said that the expenditure was incurred for the purpose of acquiring and appreciating capital assets. In the case of CIT v. Madras Auto Service (P) Ltd. (supra), the Supreme Court has considered the expenditure as revenue expenditure where the lessee has demolished the entire structure by spending large amount and the old structure was replaced by entirely new one. The Division Bench of this Court has also taken similar view in the case of CIT v. Rajasthan Spinning & Weaving Mills Ltd. (supra) after considering various judgments of the Supreme Court.

14. It is not in dispute that the assessee was holding the premises as lessee at the relevant time and he carried out extensive repairs/renovation in the leasehold premises. It is also required to be noted that in order to have reasonable facilities for running his office, the assessee has made certain renovations. Considering the facts of the case, in our view, it cannot be said that the expenditure in question is of capital in nature. The finding arrived at by the CIT(A) as well as by the Tribunal is essentially a finding of fact and the said finding is, therefore, not required to be disturbed in this appeal.

15. Considering the facts of this case, as we have indicated above, in our view, it cannot be said that the finding arrived at by the CIT(A) as well as by the Tribunal is contrary to law. In our view, it cannot be said that the impugned order of the Tribunal suffers from any infirmity or that the Tribunal has committed any substantial error of law which is required to be corrected by this Court in this appeal which is maintainable only on a substantial question of law. We do not find any error of law much less any substantial error of law in the impugned order of the Tribunal. In our view, the expenditure, which is incurred by the assessee is in connection with the profession/business and for smooth working of the business of the assessee and was incurred with an object to see that the business (profession in this case) can be carried out more effectively and more profitably, leaving fixed capital untouched, under the circumstances, the same was rightly treated as revenue expenditure by the Tribunal as well as by the CIT(A).

16. Considering the aforesaid aspect of the matter, there is no substance in this appeal, the same is accordingly dismissed.

No orders as to costs.