(2008) 10 DEL CK 0055

In the Delhi High Court

Case No : IT Appeal No. 1170 of 2008

Commissioner of Income Tax — APPELLANT

Vs

Samtel India Ltd. — RESPONDENT

Date of Decision : 03-10-2008

Acts Referred:

Citation : (2008) 10 DEL CK 0055

Hon'ble Judges : Rajiv Shakdher, J;Badar Durrez Ahmed, J

Bench : Division Bench

Advocate : Prem Lata Bansal, for the Appellant; Ajay Vohra, Ms. Kavita Jha and Sriram Krishna, for the Respondent

Judgement

1. In this appeal, the revenue has proposed several questions. The questions proposed in paragraph 2(a), (b) and (c) have now been settled against the revenue by a decision of this court in the case of Commissioner of Income Tax Vs. Woodward Governor India Pvt. Ltd., . Thus, insofar as these questions are concerned, this court is not required to go into the same all over again. As regards the other questions proposed, the appeal is admitted on the following two substantial questions of law which arise for our consideration:- 1. Whether the income tax Appellate Tribunal was correct in law in allowing the expenditure of Rs 33,61,975/- incurred by the assessee on product development, treating the same as being revenue in nature ?

2. Whether the income tax Appellate Tribunal was correct in law in allowing the entire expenditure of Rs. 1,00,55,260/- incurred by the assessee on advertisements and launching of new brands of products, by treating the same as being revenue in nature ?

The paper books be filed by the appellant within three months as per the rules.