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

\+ ITA 695/2016, CAV.872/2016 & C.M. APPL.37205-37206/2016

PR. COMMISSIONER OF INCOME TAX-2 ..... Appellant
Through : Sh. Ruchir Bhatia and Sh. Puneet Rai, Advocates.

versus

CARZONRENT (INDIA) PVT. LTD. ..... Respondent
Through : Sh. Aneesh Mittal, Advocate.

CORAM:
HON'BLE MR. JUSTICE S. RAVINDRA BHAT
HON'BLE MS. JUSTICE DEEPA SHARMA

O R D E R

% 05.10.2016

There is an inordinate delay of 710 days in the re-filing of the present appeal. The explanation for the delay and ground for its condonation urged by the revenue is that though originally the appeals were filed within reasonable time, yet, the defective filing led to the return of the papers. The revenue thereafter explains that its panel of Standing Counsel was reorganized and that the erstwhile counsel took time to return the papers after which they were re-examined and re-filed. This explanation cannot be called "sufficient cause".

Even on the merits, the Court notices that the terming of "loan processing charges" as interest in the circumstances of the case for the purpose of Section 36(1)(iii) of Income Tax Act, 1961 by the Assessing Officer was unwarranted. Besides, the tax effect in the present case is also less than ₹20 lakhs. The appeal is, therefore, dismissed.

S. RAVINDRA BHAT, J

DEEPA SHARMA, J

OCTOBER 05, 2016/ajk