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

\+   ITA 221/2017

PR. COMMISSIONER OF INCOME TAX- 11 ..... Appellant
Through: Mr. Zoneb Hossain, Adv.

versus

SH. SATVINDER SINGH WADHAWAN ..... Respondent
Through

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

O R D E R

%   21.03.2017

The question of law which the Revenue urges in this appeal under Section 260A of the Income Tax Act, 1961 (in short the Act) is, whether the amounts received from third parties by way of loans, could have been treated as income from other sources on account of Section 56(2)(v)-(vii) of the Act. The CIT(A), whom the assessee approached, upon disallowance by the AO of the amounts, found that the advances were repaid in a subsequent year. The ITAT too confirmed this fact after re-appraisal of all circumstances.

This Court is of the opinion that the expression “received”, which is the qualifying phrase for the applicability of Section 56(2) of the Act should receive a narrow interpretation rather than a wide one as is contended by the Revenue. The Act consciously distinguishes between “receipts”, “advances” and “loans”. In the circumstances, the “receipt” connotes a more precise meaning that the amount is received by way of a gift by the recipient/ donor, to be appropriated by her/ him as personal property or an asset.

In view of the above discussion, the Court is of the opinion that no substantial question of law arises. The appeal is, accordingly, dismissed.

S. RAVINDRA BHAT, J

NAJMI WAZIRI, J

MARCH 21, 2017/kk