IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

ITA No. 155 of 2022 (O&M)

Date of decision : 26.02.2024

Pr. Commissioner of Income Tax, Faridabad … Appellant

Versus

M/s NKB Infrastructure Private Limited …Respondent

CORAM: HON'BLE MR. JUSTICE SANJEEV PRAKASH SHARMA
HON'BLE MRS. JUSTICE SUDEEPTI SHARMA

Present: Mr. Varun Issar, Senior Standing Counsel,
for the appellant.

<u>SANJEEV PRAKASH SHARMA, J.</u>

The Revenue is in appeal before this court under Section 260A of the Income Tax Act, 1961 (in short "the Act") against the order dated 27.07.2021 passed by the Income Tax Appellate Tribunal, Delhi Bench-E, New Delhi (hereinafter referred to as "the Tribunal") in ITA No. 450/Del/2021 for the assessment year 2015-16, whereby the Tribunal set aside the order passed by the Principal Commissioner of Income Tax, under Section 263 of the Act.

2. Learned counsel for the Revenue submits that the order passed by the PCIT did not warrant any interference as unsecured loan of ₹ 2,95,26,933/- remained unexplained. The Tribunal has noticed that the assessee had filed reply to the query raised by the Assessing Officer and in compliance of the directions of the Assessing Officer, he justified the reason for increase on the unsecured loan. Moreover for the year in consideration, the loan was added in the cases of the persons who were directors or relatives of the directors and all of them had been

assessed under the same Assessing Officer and the information relating to the parties was available with the Assessing Officer. Therefore, the contention raised by the PCIT that the Assessing Officer did not raise any query relating to the said loan, was found to be baseless by the ITAT.

3. The Assessing Officer, therefore, cannot be said to have committed any error while making the assessment and there was no occasion for the PCIT to interfere under Section 263 of the Act alleging that no query has been done by the Assessing Officer. Details of the sundry creditors were available before the PCIT as observed by the Tribunal. This Court finds that no question of law is found to be made out in the facts of the present case as noticed and the conclusions drawn thereto need no interference. The appeal is dismissed.

4. Pending applications, if any, also stand disposed of.

5. No costs.

(SANJEEV PRAKASH SHARMA)
JUDGE

26.02.2024
dinesh/vs

(SUDEEPTI SHARMA)
JUDGE

Whether speaking/reasoned Yes/No

Whether reportable Yes/No