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

\+ ITA 189/2024 & CM APPL. 16744/2024

PR. COMMISSIONER OF INCOME TAX -7 ..... Appellant

Through: Mr. Ruchir Bhatia, SSC with Ms. Deeksha Gupta, Adv.

versus

PCI LTD ..... Respondent

Through: Mr. Salil Kapoor, Mr. Sumit Lalchandani, Ms. Ananya Kapoor, Mr. Tarun Channa, Advs.

CORAM:
HON'BLE MR. JUSTICE YASHWANT VARMA
HON'BLE MR. JUSTICE PURUSHAINDRA KUMAR KAURAV

O R D E R

% **18.03.2024**

1. The Commissioner seeks to impugn the order of the Income Tax Appellate Tribunal ["**ITAT**"] dated 01 February 2023 and has proposed the following question for our consideration:-

> "2.1 Whether the Ld. ITAT is right in holding that provisions of section 2(22)(e) of the Income Tax Act,1961 are not attracted in the case of loan and advances received pursuant to business transaction?"

2. We note that the ITAT while dismissing the appeal has taken note of the contents of the sanction letter of the Punjab National Bank dated 27 November 2010 to uphold the view taken by the CIT(A) to the effect that the lending facility obtained was pursuant to business transactions and would thus not fall within the ambit of Section 2(22)(e) of the Income Tax Act, 1961. The view so taken merits no interference.

3. The appeal fails and shall stand dismissed.

YASHWANT VARMA, J.

PURUSHAINDRA KUMAR KAURAV, J.

MARCH 18, 2024/*neha*