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

\+ ITA 300/2026, CM APPL. 23331/2026 & CM APPL. 23332/2026

THE PR. COMMISSIONER OF INCOME TAX -CENTRAL -1

.....Appellant

Through: Mr. Ruchir Bhatia, SSC with Mr. Anant Maan, JSC.

versus

SAMAST VIKAS LIMITED. .....Respondent

Through: Mr. Ved Jain, Mr. Nischay Kantoor, Ms. Vandana Kothari & Mr. Sparsh Kapoor, Advocates.

CORAM:
HON'BLE MR. JUSTICE DINESH MEHTA
HON'BLE MR. JUSTICE VINOD KUMAR

O R D E R

% 23.04.2026

CM APPL. 23332/2026 ***(delay in re-filing)***

1. Instant application has been filed under Section 151 of the Civil Procedure Code, 1908, read with Section 5 of the limitation act seeking condonation of delay of 149 days in re-filing the appeal.

2. For the reasons stated in the application, the delay of 149 days in re-filing the appeal is condoned.

3. Application stands allowed.

CM APPL. 23331/2026 ***(delay in filing)***

4. Instant application has been filed under Section 151 of the Civil Procedure Code, 1908, read with Section 5 of the limitation act seeking condonation of delay of 156 days in filing the appeal.

5. For the reasons stated in the application, the delay of 156 days in re-

filing the appeal is condoned.

6. Application stands allowed.

ITA 300/2026

7. Instant appeal has been preferred against the order dated 31.12.2024 passed by Income Tax Appellate Tribunal, Delhi Bench 'G', New Delhi *(hereinafter referred to as 'Tribunal')* in ITA No. 3984/DEL/2024. The grounds which the appellant-Revenue had taken in the appeal before the Tribunal are as follows:

> *"(i) Whether on the facts and circumstances of the case, the Ld. CIT(A) erred in allowing the appeal of the assesse against the order dated 10.06.2021 vide which the addition of Rs. 3,10,19,795/ made on account of disallowance under section 14A of the Act and addition of Rs. 9,92,70,233/- on account of disallowance under section 36(1) (ill) of the Act was deleted.*
> *(ii) Whether the Ld. CIT(A) erred in ignoring the facts of the case that during the assessment proceedings, the assessee had failed to substantiate the correctness of the claim of expenditure in relation to income which does not form part of the total income during the relevant assessment year.*
> *(iii) Whether the Ld. CIT(A) erred in ignoring the facts of the case that Assessing Officer rightly followed the CBDT circular and legal precedence in disallowing expenses even though no exempt income has been earned in subject AY.*
> *(iv) Whether the Ld. CIT(A) erred in ignoring the facts of the case that during the assessment proceedings, the assessee had failed to substantiate the reason behind transfer of its interest-bearing borrowed funds advanced as loans to its subsidiary company without charging. any interest on the same during the relevant assessment year."*

8. Heard rival counsel and perused the record.

9. So far as issue relating to disallowance under Section 14A is concerned, the same has been decided against the Department by this Court in the case of ***Cheminvest Ltd. v. CIT*** reported in **[2015] 61 taxmann.com 118/234 Taxman 761/378 ITR 33 (Delhi)**

10. While observing that the second question raised by the appellant is essentially a question of fact and appreciation of evidence, we are of the

view that no perversity can be alleged in such finding of the Appellate Authority.

11. Adverting to the remaining issue of giving interest free loan, we find that the interest free loan was given by the respondent-assessee to its subsidiaries and another parties, and it had sufficient fund available at its disposal to do the same as has been found by the Commissioner Income Tax (Appeals)-24 *(hereinafter referred to as 'CIT(A)')* in order. The Tribunal has affirmed such finding of the CIT (A).

12. The instant appeal is, therefore, dismissed and disposed of.

DINESH MEHTA, J.

VINOD KUMAR, J.

APRIL 23, 2026/*nk*