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

\# **CNR No. DLHC010530492026**

\+ ITA 894/2026

PR. COMMISSIONER OF INCOME TAX -15 .....Appellant

Through: Mr. Ruchir Bhatia, SSC, Mr. Anant Mann, JSC and Mr. Pratyaksh Gupta, JSC.

Versus

SUNANDA POLYMERS LLP .....Respondent

Through: None.

CORAM:
HON'BLE MR. JUSTICE SUBRAMONIUM PRASAD
HON'BLE MS. JUSTICE RENU BHATNAGAR

O R D E R

% 03.11.2026

1. The present appeal has been filed Under Section 260A of the Income-Tax Act, 1961 arising out of Order dated 16.04.2026 ("Impugned Order") passed by the learned Income-Tax Appellate Tribunal, Bench 'E'), New Delhi ("learned ITAT") in ITA No. 5076/DEL/2025 for Assessment Years 2018-19, whereby the appeals filed by the assessee were allowed.

2. This Court has perused the Impugned Order dated 16.04.2026 passed by the learned ITAT. A perusal thereof reveals that the learned ITAT, after considering the material available on record and the submissions advanced by the parties, examined the unsecured loan transactions received by the assessee from six creditors. In respect of

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M/s Gogia Leasing Ltd., the learned ITAT noted that the said entity was a registered Non-Banking Financial Company (NBFC) and that the transactions between the parties were routed through regular banking channels. The learned ITAT further observed that the sum of Rs. 26 crores transferred by the assessee to M/s Gogia Leasing Ltd. as a short-term deposit was returned to the assessee during the same financial year and, therefore, the amount represented repayment of the deposit and could not be treated as an unexplained cash credit under Section 68 of the Income Tax Act, 1961.

3. The learned ITAT also took note of the lender's financial statements, income tax returns and banking transactions and observed that the assessee had established the identity and creditworthiness of the creditor as well as the genuineness of the transactions.

4. With respect to the remaining five creditors, the learned ITAT recorded that no fresh loans had been received during the relevant assessment year and that the outstanding amounts represented opening balances of loans received in earlier years. Accordingly, the learned ITAT held that the provisions of Section 68 of the Act were not attracted in respect of such amounts. Consequently, the learned ITAT directed deletion of the additions made under Section 68 of the Act as well as the consequential disallowance of interest expenditure on the unsecured loans and allowed the corresponding grounds raised by the assessee.

5. This Court does not find any infirmity with the Impugned Order passed by the learned ITAT and no question of law arises for consideration under Section 260 A of the Income Tax Act, 1961.

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6. In view of the above observation by this Court, the present appeal stands disposed of.

SUBRAMONIUM PRASAD, J

RENU BHATNAGAR, J

NOVEMBER 3, 2026*/bs/my*

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