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

+ ITA 264/2024

PRINCIPAL COMMISSIONER OF
INCOME TAX-1

..... Appellant

Through: Mr. Prashant Meharchandani,
SSC with Mr. Akshat Singh,
Adv.

versus

M/S. CHOWDRY ASSOCIATES

..... Respondent

Through: None

CORAM:

HON'BLE MR. JUSTICE YASHWANT VARMA

HON'BLE MR. JUSTICE PURUSHAINDR KUMAR

KAURAV

ORDER

09.05.2024

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CM APPL. 27533/2024 (11 Days Delay in filing)

CM APPL. 27534/2024 (58 Days Delay in re-filing)

1. Bearing in mind the disclosures made the delay of 11 days in filing and 58 days in re-filing the appeal is condoned.
2. Applications stand disposed of.

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3. Having heard Mr. Meharchandani, learned counsel appearing for the appellant, and on going through the judgment dated 14 September 2023 rendered by the Income Tax Appellate Tribunal [“ITAT”] we find that the issue of administrative expenses came to be answered in favour of the assessee bearing in mind the undisputed position that the shares or interests were held in its subsidiary.

4. We note that the ITAT in para 8 has held as follows:

“8. After thorough examination of the assessment order and order



of Id. CIT(A), it can be observed that not a single word is discussed on the basis of the financials or the P & L Account of the assessee company to show how this suo moto disallowance, is not justified. No reason for disagreeing with the suo-motto disallowance is mentioned by the Id. AO. The exempt income is from investments in subsidiary and there is no justification to attribute any direct or indirect expenses by the assessee for maintaining the shares of subsidiary Dabur India Limited on a very general presumption. Grounds are sustained. The appeal is allowed and impugned addition is deleted.”

5. In view of the aforesaid, and bearing in mind the conclusions that stand recorded in para 8 of the judgment of the ITAT, we find that the appeal fails to raise any substantial question of law. It shall, consequently, stand dismissed.

YASHWANT VARMA, J

PURUSHAINDR KUMAR KAURAV, J

MAY 9, 2024/kk