

आयकर अपीलिय अधिकरण  
दिल्ली पीठ "डी", दिल्ली  
श्री विकास अवस्थी, न्यायिक सदस्य एवं  
श्री संजय अवस्थी, लेखाकार सदस्य के समक्ष

IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH "D", DELHI  
BEFORE SHRI VIKAS AWASTHY, JUDICIAL MEMBER &  
SHRI SANAJY AWASTHI, ACCOUNTANT MEMBER

SA No. 27/Del/2026  
(Arising out of IT(IT)A No. 4/Del/2026, A.Y 2023-24)

ZTE Corporation,  
C/o. Mr. Harpreet Singh Ajmani, Advocate,  
Plot No. A8, Sector 4, Noida, Uttar Pradesh 201301  
PAN: AAACZ-4115-A

..... आवेदक/Applicant

बनाम Vs.

Assistant Commissioner of Income Tax,  
International Taxation, Gurgaon  
Haryana

..... प्रतिवादी/Respondent

आवेदक/Applicant by : S/Shri Harpreet Singh Ajmani &  
Shashvat Dhamija, Advocates  
प्रतिवादीद्वारा/Respondent by : Ms. Ankush Kalra, Sr. DR  
सुनवाई की तिथि/ Date of hearing : 13/02/2026  
घोषणा की तिथि/ Date of pronouncement : 13/02/2026

आदेश/ORDER

**PER VIKAS AWASTHY, JM:**

The application has been filed by the assessee seeking stay on recovery of the outstanding demand for AY 2023-24.

2. We have heard the submissions made by the rival sides. The additions which are subject matter of dispute in the impugned assessment year are: (i) addition on account of profit attributable to Permanent Establishment (PE) amounting to Rs. 14,68,59,200/-; (ii) addition in respect of supply of software taxed as equipment royalty amounting to Rs. 55,54,69,926/-; and (iii) receipts for ZTE India taxed as FTS amounting to Rs. 3,10,27,791/-. The Id. Counsel for the assessee has pointed that in the preceding assessment years i.e. AY 2004-05 to AY 2017-18, the issue of attribution of profit was decided in favour of the assessee by the Tribunal and now the issue is pending for adjudication before

the Hon'ble Delhi High Court. In so far as addition on account of 'software royalty', the issue has been decided in favour of assessee up to the stage of Hon'ble Supreme Court of India. On these very issues, the appeal of the assessee for AY 2022-23 in ITA No.1074/Del/2025 is pending for final adjudicating. In the said appeal the assessee had filed a stay application being SA No. 102/Del/2025 for AY 2022-23 and the Tribunal vide order dated 07.03.2025 granted stay on recovery of outstanding demand. These facts are not disputed by the Revenue. The Id. Counsel pointed that the tax payable after applying tax rate of 35% works out to Rs. 5,27,51,635/-, whereas the TDS credit available with the Revenue is Rs. 7,89,21,194/-. To substantiate this submission, he referred to the Computation Sheet for AY 2023-24 at page no. 117 of the paper book. In light of undisputed facts, we are of the considered view that the assessee deserves the benefit of stay on recovery of the outstanding demand for the impugned assessment year. Accordingly, the outstanding demand for AY 2023-24 is stayed for a period of 180 days from the date of this order or till the disposal of the appeal, whichever is earlier.

3. The assessee shall furnish paper book, if any on or before the date of hearing of appeal.
4. The assessee shall not seek adjournment on the date fixed for hearing, without their being any reasonable cause.
5. In the result, Stay Application of the assessee is allowed in the terms aforesaid.

Order pronounced in the open court on Friday the 13<sup>th</sup> day of February, 2026.

Sd/-  
(SANJAY AWASTHI)  
लेखाकार सदस्य/ACCOUNTANT MEMBER

Sd/-  
(VIKAS AWASTHY)  
न्यायिक सदस्य/JUDICIAL MEMBER

NV/-

**प्रतिलिपि अग्रेषितCopy of the Order forwarded to :**

1. अपीलार्थी/The Appellant ,
2. प्रतिवादी/ The Respondent.
3. The PCIT/CIT(A)
4. विभागीय प्रतिनिधि, आय.अपी.अधि., दिल्ली /DR, ITAT, दिल्ली
5. गार्ड फाइल/Guard file.

BY ORDER,

//True Copy//

(Dy./Asstt. Registrar) ITAT, DELHI