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

+ ITA 320/2022

**PR. COMMISSIONER OF INCOME TAX (CENTRAL)-2**

..... Appellant

Through: Mr.Sanjay Kumar, Sr.Standing  
Counsel for the Revenue.

versus

**PANCHMUKHI MANAGEMENT SERVICES PVT. LTD.**

..... Respondent

Through: Mr. Salil Aggarwal, Sr. Advocate  
with Mr. Madhur Aggarwal,  
Advocate.

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Date of Decision: 26<sup>th</sup> September, 2022

**CORAM:**

**HON'BLE MR. JUSTICE MANMOHAN**

**HON'BLE MS. JUSTICE MANMEET PRITAM SINGH ARORA**

**J U D G M E N T**

**MANMOHAN, J (Oral):**

1. Present Income Tax Appeal has been filed challenging the order dated 28<sup>th</sup> February, 2022 passed by the Income Tax Appellate Tribunal ('ITAT') in ITA No. 765/Del/2018 for the Assessment Year 2009-10.

2. Learned counsel for the appellant states that the ITAT has erred in holding that no incriminating material was found in the search, whereas the original copies of share certificates pertaining to share capital and premium allotted to investor companies were found at the premises of issuing company itself instead of investor company's premises evidencing, that, the investor companies were bogus/accommodation entry providing entities.



3. He emphasises that in the present case, there is a live link between the additions in question and the incriminating material.

4. A perusal of the paper book reveals that in the present case, the satisfaction note in the case of the assessee was recorded on 29<sup>th</sup> January, 2016, therefore the six year period prior to Assessment Year of search i.e. AY 2015-16 will be Assessment Years 2010-11 to 2015-16 in view of the judgments of this Court in the cases of *CIT v. RRJ Securities Ltd. [2016] 380 ITR 612* and *PCIT vs Sarwar Agency (P.) Ltd [2017] 397 ITR 400*, wherein it has been held that the proceedings by virtue of Section 153C(1) of the Act would have to be in accordance with Section 153A of the Act and the reference to the date of search would have to be construed as the reference to the date of recording of satisfaction. The learned predecessor Division Bench, in the aforementioned cases, further observed that the six assessment years for which assessments/reassessments could be made under Section 153C of the Act would also have to be construed with reference to the date of handing over of assets/documents to the Assessing Officer of the Assessee.

5. Keeping in view the aforesaid position of law, this Court is of the opinion that in the facts of the present case, the return of income for the assessment year 2009-10 could not have been reopened. Consequently, no substantial question of law arises for consideration in the present appeal and accordingly the same is dismissed.

**MANMOHAN, J**

**MANMEET PRITAM SINGH ARORA, J**

**SEPTEMBER 26, 2022  
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