$~104 to 107

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

\+ W.P.(C) 338/2025

\+ W.P.(C) 339/2025

\+ W.P.(C) 341/2025

\+ W.P.(C) 346/2025

GALA INTERNATIONAL PVT LTD .....Petitioner

Through: Ms Kavita Jha, Sr. Advocate with Mr Vaibhav Kulkarni, Ms A. Chisty and Mr Himanshu Aggarwal, Advocates.

versus

ASSISTANT COMMISSIONER OF INCOME TAX .....Respondent

Through: Mr Shlok Chandra with Ms Naincy Jain and Ms Madhavi Shukla, Advocates.

CORAM:
HON'BLE THE ACTING CHIEF JUSTICE
HON'BLE MR. JUSTICE GIRISH KATHPALIA

<u>O R D E R</u>

% **13.01.2025**

<u>CM APPL. 1706/2025 in W.P.(C) 338/2025</u>
<u>CM APPL. 1709/2025 in W.P.(C) 339/2025</u>
<u>CM APPL. 1713/2025 in W.P.(C) 341/2025</u>
<u>CM APPL. 1727/2025 in W.P.(C) 346/2025</u>

1. Exemption is allowed, subject to all just exceptions.

2. The applications are disposed of.

<u>W.P.(C) 338/2025 and CM APPL. 1705/2025</u>
<u>W.P.(C) 339/2025 and CM APPL. 1708/2025</u>
<u>W.P.(C) 341/2025 and CM APPL. 1712/2025</u>
<u>W.P.(C) 346/2025 and CM APPL. 1726/2025</u>

3. Issue notice. The learned counsel appearing for the Revenue accepts

notice.

4. The petitioner has filed the present petitions impugning notices dated 31.03.2024 issued under Section 153C of the Income Tax Act, 1961 (hereafter *the Act*) in respect of the Assessment Years (AYs) 2009-10 to 2012-13. The said notices indicate that a search under Section 132 of the Act was conducted in the premises of Shri. Sudhir Gulati and Smt. Ritu Gulati (Kochar Group) on 06.02.2019. It is alleged that during the course of the search, certain documents were seized and statements were recorded. Thereafter, the Assessing Officer (AO) of the said searched person recorded his satisfaction note that the documents seized contained information pertaining to the petitioner. The said satisfaction note dated 30.03.2024 was forwarded to the AO exercising jurisdiction in respect of the petitioner, who thereafter issued the notices under Section 153C of the Act, which are impugned in the present petitions.

5. The petitioner states that similar notices under Section 153C of the Act were also issued in respect of AYs 2013-14 to 2019-20 based on a separate satisfaction note recorded on 18.03.2023. However, the said notices are not the subject matter of challenge in these petitions. This court is informed that the assessments were completed pursuant to the said notices issued under Section 153C of the Act and no addition was made.

6. The principal question that arises for consideration is whether the impugned notices have been issued beyond the period of limitation.

7. Plainly, the impugned notices are barred by limitation. This is because the period of limitation of ten years is required to be reckoned from the end of the AY relevant to the financial year in which the satisfaction note is recorded and the documents/books of account/assets are handed over by the

AO of the searched person to the AO of the other person. This issue is covered by the earlier decision of this court in ***The Principal Commissioner of Income Tax – Central-1 v. Ojjus Medicare Pvt. Ltd.: Neutral Citation No.: 2024:DHC:2629-DB***.

8. The period of limitation is required to be determined with reference to 30.03.2024, being the date of the satisfaction note. However, even if the date of the satisfaction note recorded in respect of AYs 2013-14 to AY 2019-20 is considered, the impugned notices would be beyond the period of limitation.

9. The learned Senior Counsel appearing for the petitioner has handed over a statement indicating the period of ten years that would be covered in respect of the satisfaction note dated 18.03.2023. The said tabular statement is set out below:

"Assessment Year(s)	**Computation of 6 years**
AY 2022-23	1
AY 2021-22	2
AY 2020-21	3
AY 2019-20	4
AY 2018-19	5
AY 2017-18	6
AY 2016-17	7
AY 2015-16	8
AY 2014-15	9
AY 2013-14	10
Barred by Limitation	

AY 2012-13	**-**
AY 2011-12	**-**
AY 2010-11	**-**
AY 2009-10	

10. The learned counsel appearing for the Revenue fairly concurs with the said tabular statement.

11. In view of the above, we find merit in the contention that the impugned notices are unsustainable. Accordingly, the same are set aside. The petitions are allowed in the aforesaid terms. Pending applications are also disposed of.

VIBHU BAKHRU, ACJ

GIRISH KATHPALIA, J

JANUARY 13, 2025/tr

Click here to check corrigendum, if any