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

% *Date of Decision: 22.04.2025*

\+ **W.P.(C) 4411/2022**

GE RENEWABLES GRID LLC (FORMERLY KNOWN AS ALSTOM GRID INC/ALSTOM GRID LLC) .....Petitioner

Through: Mr Aditya Vohra and Mr Shashvat Dhamija, Advocates.

versus

ASSISTANT COMMISSIONER OF INCOME TAX (INTERNATIONAL TAXATION) CIRCLE 1(1)(1) & ANR. .....Respondents

Through: Mr Ruchir Bhatia, SSC with Mr Anant and Mr P. Gupta, Advocates.

AND

\+ **W.P.(C) 4474/2022**

GE RENEWABLES GRID LLC (FORMERLY KNOWN AS ALSTOM GRID INC/ALSTOM GRID LLC) .....Petitioner

Through: Mr Aditya Vohra and Mr Shashvat Dhamija, Advocates.

versus

ASSISTANT COMMISSIONER OF INCOME TAX AND ANR. .....Respondents

Through: Mr Ruchir Bhatia, SSC with Mr Anant and Mr P. Gupta, Advocates.

AND

\+ **W.P.(C) 4495/2022**

GE RENEWABLES GRID LLC (FORMERLY KNOWN AS ALSTOM GRID INC/ALSTOM GRID LLC) .....Petitioner

Through: Mr Aditya Vohra and Mr Shashvat Dhamija, Advocates.

versus

ASSISTANT COMMISSIONER OF INCOME TAX (INTERNATIONAL TAXATION) CIRCLE 1(1)(1) & ANR. .....Respondents

Through: Mr Ruchir Bhatia, SSC with Mr Anant and Mr P. Gupta, Advocates.

AND

\+ **W.P.(C) 4496/2022**
GE RENEWABLES GRID LLC (FORMERLY KNOWN AS ALSTOM GRID INC/ALSTOM GRID LLC) .....Petitioner
Through: Mr Aditya Vohra and Mr Shashvat Dhamija, Advocates.

versus

ASSISTANT COMMISSIONER OF INCOME TAX (INTERNATIONAL TAXATION) CIRCLE 1(1)(1) & ANR. .....Respondents
Through: Mr Ruchir Bhatia, SSC with Mr Anant and Mr P. Gupta, Advocates.

CORAM:
HON'BLE MR. JUSTICE VIBHU BAKHRU
HON'BLE MR. JUSTICE TEJAS KARIA

VIBHU BAKHRU, J.(Oral)

1. These petitions impugn notices issued by the Assessing Officer [**AO**] under Section 148 of the Income Tax Act, 1961 [**Act**] seeking to assess / reassess the income of the petitioner for Assessment Years [**AY**] 2013-14 to 2016-17. The tabular statement setting out the notices impugned in each of the aforesaid petitions is set out below:

W.P.(C)	**Assessment Year**	**Date of notice under Section 148 of the Act**
4411/2022	2015-16	31.03.2021
4474/2022	2013-14	30.03.2021
4495/2022	2016-17	19.03.2021
4496/2022	2014-15	30.03.2021

2. Since the material facts obtaining in the present petitions and the issues involved are identical, the petitions have been heard together and are being disposed of by this common order.

3. The petitioner is a company incorporated in the United States of

America and is engaged in the business of development and deployment of Power Grid transmission and distribution management software and applications as well as engineering services in relation to software products. The petitioner states that it is involved in engineering services and assembly of products that aid in transmission and distribution of power.

4. The petitioner was formally known as Alstom Grid Inc / Alstom Grid LLC and was a part of the Alstom Group till 02.11.2015. However, the Alstom Grid business was acquired by GE and since the said acquisition the petitioner is part of the GE Group. The petitioner is not a tax resident of India. According to the petitioner, it has not received any income, which was chargeable to tax in India in the previous years relevant to AY 2013-14 and AY 2014-15. However, it did receive certain income, which was chargeable to tax as FTS/royalty for previous years relevant to AY 2015-16 and AY 2016-17. The petitioner did not file its return of income for AY 2013-14 and AY 2014-15, however, it did so for AY 2015-16 and AY 2016-17.

5. It is stated that in compliance of the notices issued under Section 148 of the Act, the petitioner furnished its return of income for the relevant assessment years. The petitioner also sought the reasons recorded for reopening of the assessments, which were provided to the petitioner. The reasons recorded are similar in some of the material aspects. The AO's reasons to believe that the petitioner's income has escaped assessment is primarily based on a survey that was conducted under Section 133A(1) of the Act. The said survey was conducted on 06-07/06/2019 on GE Power India Ltd. which is a company incorporated in India and engaged in power

sector business.

6. The AO recorded that it was found during the survey proceedings that the companies of the erstwhile Alstom Group engaged in energy transmission and distribution business have a permanent establishment [**PE**] in India in the form of a Dependent Agent PE and Fixed Place PE. Thus part of their business income attributable to their PEs is chargeable to tax in India.

7. The AO had noted that post survey operations, it was found that the petitioner had made certain supplies to Indian entities. However, no tax was deducted on the payments for the said supplies and the same was not declared in India. The AO referred to the statements of various employees of GE Power India recorded during the survey conducted on 06-07/06/2019 and observed that the petitioner had a Dependent PE and a Fixed Place PE in India. And, on the aforesaid basis alleged that the petitioner's business income attributable to its PE was chargeable to tax under the Act.

8. The petitioner objected to the initiation of the assessment proceedings under Section 147 of the Act on various grounds including that the reasons were undated; survey report findings and the statements recorded were not supplied; and a valid sanction was not taken for issuance of notice under Section 148 of the Act. More importantly, the petitioner also objected to initiation of the reassessment proceedings on the ground that there was no tangible material for the AO to conclude that the petitioner had a PE in India. However, the objections raised by the petitioner were rejected.

9. A plain reading of the reasons as recorded clearly indicates that there was no tangible material in respect of the petitioner for forming a belief that

the petitioner had a dependent PE or a Fixed Place PE in India during the previous years relevant to the said assessment years in respect of which the impugned notices under Section 148 of the Act were issued.

10. Concededly, the question involved in the present petitions is covered in favour of the petitioner by earlier decisions of this court in ***Grid Solutions OY (Ltd.) v. Assistant Commissioner of Income Tax: Neutral Citation No.: 2025:DHC:214-DB***, order dated 07.02.2025 in WP(C) No.5095/2022 captioned ***UK Grid Solutions Ltd. v. ACIT***, order dated 12.02.2025 in WP(C) No.1629/2022 captioned ***GE Hydro France v. ACIT*** and in ***GE Grid (Switzerland) GmbH v. ACIT: Neutral Citation No.: 2025:DHC:1280-DB***.

11. In view of the above, the present petitions are allowed and the impugned notices are set aside.

12. The petitions are disposed of in the aforesaid terms.

VIBHU BAKHRU, J

TEJAS KARIA, J

APRIL 22, 2025

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Click here to check corrigendum, if any