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

\+ W.P.(C) 3303/2025

SRODEEP INFRA DEVELOPERS LIMITED .....Petitioner

Through: Mr Deepak Gupta, Advocate.

versus

INCOME TAX OFFICER AND ORS .....Respondents

Through: Mr Ruchir Bhatia, SSC.

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

O R D E R

% **20.03.2025**

CM APPL. 16334/2025

1. Exemption allowed, subject to all just exceptions.

2. The application is disposed of.

CM APPL. 16244/2025

3. This application has been filed for placing on record additional documents.

4. For the reasons stated in the application, the same is allowed.

W.P.(C) 3303/2025

5. The learned counsel for the petitioner submits that although the present petition is listed on 02.04.2025 but there is some urgency as the Assessing Officer **[AO]** may pass the final order within this financial year. He requests that the present petition be taken up at an earlier date.

6. Mr Bhatia, the learned counsel for the Revenue has no objection to

the said request. Accordingly, the present petition is taken up for hearing.

7. The petitioner has filed the present petition, *inter alia*, impugning a notice dated 21.03.2024 [**impugned notice**] issued by the AO under Section 148 of the Income Tax Act, 1961 [**the Act**] as well as the proceedings initiated pursuant thereto.

8. The petitioner also prays that the AO be directed to provide the reasons for reopening the assessment and consider the petitioner's objections as mandated by the decision of the Supreme Court in ***GKN Driveshafts (India) Ltd. v. ITO and Ors.: 2002 SCC OnLine SC 1116***. The petitioner also prays that the directions be issued to the Revenue to supply all relevant information on the basis of which reassessment proceedings are initiated as required by the decision of the Supreme Court in ***Union of India v. Rajeev Bansal: 2024 SCC OnLine SC 2693.***

9. The impugned notice was issued by the AO seeking to reopen the assessment for Assessment Year **[AY]** 2019-20 on the basis of a search that was conducted under Section 132 of the Act in respect of Galaxy Group and related persons. It is alleged that during the course of the said proceedings, certain information and material was found which pertains to the petitioner or contains information relating to the petitioner. The petitioner was thereafter called upon to furnish its return of income. Thereafter, further notices were issued to the petitioner under Section 144B of the Act and under Section 142(1) of the Act calling upon the petitioner to furnish certain information [notices dated 11.07.2024, 04.10.2024, 23.12.2024, 02.01.2025, 09.01.2025, 01.02.2025 and 02.02.2025]. The petitioner claims that it responded to the said notices and the proceedings for assessment continues.

10. The petitioner also sought information on the basis of which the

assessment proceedings were reopened. According to the petitioner, despite requests, no such information was provided to the petitioner. However, the record indicates that the AO had provided certain information, which had been forwarded by the Investigation Wing to the AO, to the petitioner. The same included ledger accounts.

11. At this stage, we do not consider it apposite to examine the adequacy of the material that was supplied to the petitioner or whether the reasons for reopening the assessment are sustainable. This is because the assessment proceedings have continued for more than a year and the time for passing the reassessment order expires on 31.03.2025.

12. There is no cavil that after a notice is issued under Section 148 of the Act, the Revenue is required to provide the material to the assessee on the basis of which reassessment is proposed. It is also open for the assessee to contest the same at the threshold. Clearly, if the responses furnished by an assessee, who has been served with a notice under Section 148 of the Act, indicate that re assessment proceedings are not warranted; the AO is required to close the said proceedings. However, if the AO finds otherwise, the proceedings are required to be continued and the assessment has to be framed after affording the petitioner a reasonable opportunity of being heard.

13. Clearly, the petitioner is not precluded from contesting the reassessment proceedings on the ground that there are no reasons for reopening the same.

14. In view of the above, and given the stage at which the present petition is filed, we do not consider it apposite to entertain the petition. The present petition is, accordingly, dismissed. We, however, clarify that all rights and

contentions of the parties are reserved. It is clarified that this order will not preclude the petitioner from advancing submissions before the concerned authorities that the reopening of the assessment is illegal and is not based on any incriminating material. We clarify that we have not examined the said contention or any other contentions as to the merits of the controversy in this petition.

15. The hearing scheduled on 02.04.2025 is cancelled.

VIBHU BAKHRU, J

TEJAS KARIA, J

MARCH 20, 2025/tr

Click here to check corrigendum, if any