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

\+ W.P.(C) 17525/2024, CM APPL. 74653/2024

NV INTERNATIONAL PRIVATE LIMITED. .....Petitioner

Through: Mr. Manuj Sabharwal, Mr. Devvrat Tiwari and Mr. Drona Negi, Advocates.

versus

DEPUTY COMMISSIONER OF INCOME-TAX CENTRAL CIRCLE - 31, DELHI & ORS. .....Respondents

Through: Mr. Shlok Chandra, SSC, Ms. Madhavi Shuka, and Ms. Nancy Jain, JSCs with Mr. Kanav Singh, Adv.

CORAM:
HON'BLE MR. JUSTICE V. KAMESWAR RAO
HON'BLE MR. JUSTICE VINOD KUMAR

O R D E R

% **05.08.2025**

1. This petition has been filed with the following prayers :

> *"a. Issue a writ in the nature of certiorari or any other appropriate writ(s), order(s), direction(s) quashing the impugned order dated 31.08.2024 passed under s. 148A(d) (Annexure P-1) of the Income-tax Act, 1961 and impugned notice dated 31.08.2024 issued under s. 148 (Annexure P-2) as well as all consequent proceedings thereto; and*
> *b. Issue a writ in the nature of certiorari or any other appropriate writ(s), order(s), direction(s) quashing the impugned instruction no. 1 of 2023 dated 23.08.2023 issued by the respondent No. 3 vide F. No. 279/Misc./M-54/2023-ITJ (Annexure P-5); and/or*
> *c. Grant ad-interim ex-parte stay of proceedings carried out pursuant to the impugned notice/order; and/or."*

2. The petitioner seeks quashing of the impugned order dated 31.08.2024 passed under Section 148A(d) by the respondent no.1 and the notice under Section 148 dated 31.08.2024 also issued by the respondent no.1. The plea of the petitioner as contended by the learned counsel is that the impugned notice for AY 2015-16 is barred by limitation in terms of the proviso of Section 149(1)(b) of the Act. In terms thereof, the time limit of issuance of notice under Section 148 is six years from the end of the relevant assessment year which has already expired on 31.03.2022. The issue is covered by the decision of this Court in ***Manju Somani v. ITO [2024] 165 taxmann.com 675 (Delhi)***. He also states that the issue is also covered by the judgment in the case of ***ARN Infrastructures India Limited V. Assisstant Commissioner Of Income Tax Cental Circle-28 Delhi & Ors*. 2024:DHC:7423-DB** and connected petitions decided on 26.09.2024, wherein paragraphs 50-51, the court has stated as under :

> "50. The challenge which stands mounted in these writ petitions was identically raised in Dinesh Jindal v. Assistant Commissioner of Income Tax and Others19. In Dinesh Jindal we had an occasion to examine the working of the First Proviso to Section 149(1). On a due consideration of the statutory scheme, we had observed as follows:-
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> > "10. Undisputedly, and if the validity of the reassessment were to be tested on the anvil of Section 153C, the petitioner would be entitled to succeed for the following reasons. It is an undisputed fact that the proceedings under Section 148 commenced on the basis of the impugned notice dated 30 March 2023. This date would be of seminal importance since the period of six AYs' or the "relevant assessment year" would have to be reckoned from the date when action was initiated to reopen the assessment pertaining to AY 2013-2014.
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> > 11. The computation of the six or the block of ten AYs' was explained by us in Ojjus Medicare Private Limited in the following terms:

"D. The First Proviso to Section 153C introduces a legal fiction on the basis of which the commencement date for computation of the six year or the ten year block is deemed to be the date of receipt of books of accounts by the jurisdictional AO. The identification of the starting block for the purposes of computation of the six and the ten year period is governed by the First Proviso to Section 153C, which significantly shifts the reference point spoken of in Section 153A(1), while defining the point from which the period of the "relevant assessment year" is to be calculated, to the date of receipt of the books of accounts, documents or
assets seized by the jurisdictional AO of the non-searched person. The shift of the relevant date in the case of a non searched person being regulated by the First Proviso of Section 153C(1) is an issue which is no longer res integra 19 2024 SCC OnLine Del 4230
146 W.P.(C) 1892/2024 Page 53 of 56 and stands authoritatively settled by virtue of the decisions of this Court in SSP Aviation and RRJ Securities as well as the decision of the Supreme Court in Jasjit Singh. The
aforesaid legal position also stood reiterated by the Supreme Court in Vikram Sujitkumar Bhatia. The submission of the respondents, therefore, that the block periods would have to be reckoned with reference to the date of search can neither be countenanced nor accepted.
E. The reckoning of the six AYs‟ would require one to
firstly identify the FY in which the search was undertaken and which would lead to the ascertainment of the AY relevant to the previous year of search. The block of six AYs‟ would consequently be those which immediately precede the AY relevant to the year of search. In the case of a search assessment undertaken in terms of Section

153C, the solitary distinction would be that the previous year of search would stand substituted by the date or the year in which the books of accounts or documents and assets seized are handed over to the jurisdictional AO as opposed to the year of search which constitutes the basis for an assessment under Section 153A.

F. While the identification and computation of the six AYs" hinges upon the phrase "immediately preceding the assessment year relevant to the previous year" of search, the ten year period would have to be reckoned from the 31st day of March of the AY relevant to the year of search. This, since undisputedly, Explanation 1 of Section 153A requires us to reckon it "from the end of the assessment year". T his distinction would have to necessarily be acknowledged in light of the statute having consciously adopted the phraseology "immediately preceding" when it be in relation to the six year period and employing the expression "from the end of the assessment year" while speaking of the ten year block."

51. The respondents, in any event, have not doubted the correctness of the terminal dates which would apply to the relevant AYs which form the subject matter of the present batch of writ petitions. The table, which had been extracted by us in the introductory parts of the present judgement, clearly establishes that all the notices under Section 148 impugned herein would fall beyond the date computed in terms of the First Proviso to Section 149(1)."

3. The submission of learned counsel for petitioner is that as the Assessment Year is 2015-16 and the notice under Section 148 of I.T. Act has been issued on 31.08.2024, the observations in paragraph 50 and 51 are applicable and the impugned order and notice could not have been passed/issued pursuant to the initial notice under Section 148A(b) dated

08.08.2024. Learned counsel for respondent/Revenue do not point out anything contrary to the judgements rendered by this Court in ***Manju Somani and ARN (supra)***. In other words she do state that the proceedings having been initiated pursuant to notice dated 08.08.2024 resulting in the impugned order dated 31.08.2024 and notice dated 31.8.2024 under Section 148 of I.T. Act, the same are beyond limitation. If that be so we set aside order dated 31.08.2024 issued under 148A(d) and so also notice dated 31.08.2024 under Section 148 of the I.T. Act. The writ petition is disposed of as allowed. Any pending application are disposed as infructuous.

V. KAMESWAR RAO, J

VINOD KUMAR, J

AUGUST 05, 2025
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