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

\+ W.P.(C) 19503/2025 CM APPL. 81404/2025

GRIMME INTERNATIONAL BETEILIGUNGS GMBH .....Petitioner

Through: Mr. Rohit Jain, Mr. Deepesh Jain and Mr. Ram Krishna Rao, Advs.

versus

INCOME TAX OFFICER & ANR. .....Respondents

Through: Mr. Gaurav Gupta, SSC with Mr. Shivendra Singh, JSC, Mr. Yojit Pareek, JSC, Mr. Surya Jindal and Ms. Prakriti Rastogi, Advs.

CORAM:
HON'BLE MR. JUSTICE DINESH MEHTA
HON'BLE MR. JUSTICE VINOD KUMAR

ORDER

% **08.01.2026**

1. The present writ petition impugns the notice dated 31.03.2025 issued by the respondent no.1-Assessing Officer (*hereinafter referred to as 'AO'*) issued under Section 148A(1) so also the order issued under Section 148A(3) of the Income Tax Act, 1961 (*hereinafter referred to as 'the Act of 1961'*) dated 27.06.2025, *inter alia*, on the ground that the notice and the consequential order is bad in the eyes of law having been issued to a dissolved company.

2. Apprising the Court about the facts of the case, learned counsel for

the petitioner submitted that 'Grimme India Private Limited' (*hereinafter referred to as the 'erstwhile company'*) was a company registered in India, in which the petitioner, a company registered in Germany was a shareholder having a 99.99% shareholding; said company went into the process of liquidation and during such process, a certificate dated 16.09.2021 under Section 178 of the Act of 1961 was issued and having considered such certificate, showing that there was no income tax liability, the National Company Law Tribunal (*hereinafter referred to as 'NCLT'*) vide its order dated 31.10.2023 ordered liquidation/dissolution of the erstwhile company.

3. Two years after being liquidated, a show-cause notice dated 31.03.2025, under Section 148A(1) of the Act of 1961, issued by respondent no.1, came to be received by the consultant of the erstwhile company, who in turn forwarded the same to the petitioner-company, which was holding shares in the erstwhile company or was a holding company of the dissolved company.

4. Learned counsel for the petitioner submitted that the petitioner-company being shareholder of the erstwhile company filed a reply dated 10.04.2025 and without considering the same, the respondent no.1-AO passed an order under Section 148A(3) of the Act of 1961 on 27.06.2025 and alleged that the said company has failed to file the return in spite of the fact that during the Financial Year (FY) 2020-21, some remittances have been made out of India.

5. He argued that the impugned proceedings are fundamentally null and void having been initiated against a company, which has ceased to exist after 31.10.2023. Learned counsel also tried to explain the transaction by contending that no new financial transaction has taken place or fresh liability

has been created by the erstwhile company and the amount remitted by the liquidator was payment made to a supplier and the residual amount lying in the bank account.

6. Learned Senior Standing Counsel for the respondents *per contra* submitted that the present petitioner might have filed reply to the notice dated 31.03.2025, but since the petitioner was not the assessee, no cognizance could be taken of such reply on the centralized Income Tax Business Application (*hereinafter referred to as 'ITBA'*) portal. He argued that it was in such situation, the order dated 27.06.2025 was passed, observing that no reply has been filed by the noticee.

7. So far as the issuing of certificate under Section 178 of the Act of 1961 so also the fact that the said company stood dissolved on 31.10.2023, are concerned, no dispute has been raised by the respondent-Department. The learned SSC submitted that the Department's main concern is, that certain remittances have been made from the bank account of the erstwhile company, *qua* which no return of income was filed for the FY 2020-21.

8. He further submitted that the certificate under Section 178 of the Act of 1961, which was issued on 16.09.2021 was in relation to the transactions entered prior to FY 2020-21, whereas the transactions have been carried out after such certificate had been issued and since no return was filed by the erstwhile company or by the petitioner, the respondents are justified in initiating the subject proceedings.

9. Having heard learned counsel for the parties, we are of the view that the fact that the respondent no.1-AO has not considered the replies dated 10.04.2025 and 15.04.2025 cannot be said to be arbitrary or illegal in any manner, because, the reply to the notice was filed by the petitioner-

company, who was neither the assessee nor the noticee, to whom the notice was issued. The plea that ITBA portal did not recognize or failed to take cognizance of the reply can well be understood and is justified.

10. We are of the view that the petitioner-company, who was holding 99.99% shareholding in the erstwhile company, has a right to file reply and oppose any proceedings against the erstwhile company, because tax or penal liability (if raised) may ultimately have to be suffered by it.

11. Hence, while exercising our powers under Article 226 of the Constitution of India to meet the ends of justice, we hereby direct the respondent no.1-AO to consider the reply so filed by the petitioner-company and the grounds taken in the present writ petition. The petitioner-company may file a fresh reply/representation before the respondent No. 1 in physical form within a period of 10 days, which shall be considered by the respondent no.1 in accordance with law.

12. The show cause notice dated 31.03.2025 order u/s 148A(3) dated 27.06.2025 so also consequential reassessment notice dated 28.06.2025, issued u/s 148 of the Act of 1961 which were issued without considering petitioner's stand, are contrary to the principles of natural justice and are thus, set aside.

13. Respondent no.1 shall pass a fresh order, considering the petitioner-company's reply in accordance with law. Such order shall be communicated to the present petitioner on its Email Id, (which shall be given in the fresh reply/representation to be furnished by the petitioner-company). The right to lay challenge to any such order, which will be passed by the respondent no.1 under Section 148A(3) of the Act of 1961 shall stand reserved.

14. The Writ Petition alongwith all pending applications stands disposed

of in the aforesaid terms.

DINESH MEHTA, J

VINOD KUMAR, J

JANUARY 8, 2026/dd