

**IN THE INCOME TAX APPELLATE TRIBUNAL,
DELHI BENCH: 'C' NEW DELHI**

**BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER
AND
SHRI MANISH AGARWAL, ACCOUNTANT MEMBER**

ITA No.485/Del/2025
Assessment Year: 2016-17

M/s. Glacier Tradex Pvt. Ltd., T-2/197, Phase-1, Mangolpuri Industrial Area, Delhi	Vs.	ACIT, Central Circle-29, Delhi
PAN: AADCG5572F		
(Appellant)		(Respondent)

With

ITA No.562/Del/2025
Assessment Year: 2017-18

M/s. Agnate Fashions Ltd., T-2/197, Phase-1, Mangolpuri Industrial Area, Delhi	Vs.	ACIT, Central Circle-29, Delhi
PAN: AANCA0641B		
(Appellant)		(Respondent)

Assessee by	Sh. Mukesh Jain, CA Sh. R.B. Gupta, Adv. Sh. Samyak Jain, Adv.
Department by	Sh. Dayainder Singh Sidhu, CIT(DR)

Date of hearing	30.09.2025
Date of pronouncement	30.09.2025

ORDER

PER SATBEER SINGH GODARA, JM

Both these assessees, namely, M/s. Glacier Tradex Pvt. Ltd and M/s. Agnate Fashions Ltd. have filed their instant as many

appeals ITA Nos. 485/Del/2025 and 562/Del/2025 against the order of Commissioner of Income Tax (Appeals)-25 [in short, the “CIT(A)”], New Delhi’s orders, both dated 05.11.2024 passed in case no. 11463/2015-16 and 10422/2016-17, involving proceedings under section 153C of the Income-tax Act, 1961 (hereinafter referred to as ‘the Act’), respectively.

Heard both the parties. Case files perused.

2. It transpires during the course of hearing that at the outset the assessee has raised legal ground that the impugned twin section 153C assessments herein are not sustainable in law for want of a valid satisfaction recorded by the learned departmental authorities on 23rd September, 2019, reading as follows:

**Satisfaction Note for taking up the case of M/s Glacier Tradex Pvt. Ltd.
PAN:- AADCG5572F**

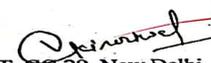
A search and seizure action u/s 132(1) of the I T Act, 1961 was conducted on 13.04.2017 in the case of Mr. Himanshu Verma, M/s Global Impex Pvt Ltd, M/s Plus Finvest Pvt Ltd, M/s Vohra Imports Pvt Ltd, M/s Advance Finvest Pvt Ltd, M/s Advance Homes & Personal Care Pvt Ltd, M/s Advance Surfactants Pvt Ltd at C-48, Sudarshan Park, Moti Nagar, New Delhi. Mr. Himanshu Verma is maintaining more than 200 shell companies/concerns for providing accommodation entries in lieu of commission during the search action on Himanshu Verma & Others group, various incriminating documents pertaining to these 200 shell companies such as bill book, tally data etc were found and seized at C-48, Sudarshan Park, Moti Nagar, New Delhi. M/s Glacier Tradex Pvt. Ltd. is one of the 200 shell companies/entities which is being controlled by Himanshu Verma for providing accommodation entries in lieu of commission. This was confirmed by Mr. Himanshu Verma in his statement recorded during the course of search.

Further, on perusal of bank book of M/s Glacier Tradex Pvt. Ltd., there is credit and debit entries in the following bank(s), which remains unexplained for A.Y. 2012-13 to A.Y. 2018-19.

Bank	Debit (In Rs.)	Credit (In Rs.)
Axis	691962262.00	691962262.00
ICICI	50436137.00	50436137.00

In view of the above, I am satisfied that it is a fit case for the initiation of proceedings of assessment u/s 153C/143(3) of the Act.

Issue notice u/s 153C of the I T Act, 1961.


ACIT, CC-29, New Delhi

3. This being the clinching factual position, learned CIT(DR) could hardly dispute that the above extracted section 153C satisfaction has nowhere made it clear as to which specific seized material found during the course of search either belonged or pertained or related to the assessee thereby having a bearing on its income of the relevant previous year so as to satisfy the rigor of section 153C(1)(a) to (b) of the Act. Various judicial precedents i.e PCIT Vs. Dev Technofab Ltd. (2025) 170 taxmann.com 664 (SC) and PCIT Vs. Ojjus Medicare (P) Ltd., (2024) 465 ITR 101 (Del) and CIT Vs. Jasjit Singh (2024) 465 ITR 101 (SC) have already settled the issue that a valid satisfaction forms *sine qua non* for initiation of section 153C proceedings culminating in the impugned assessments as is the assessee's arguments before us.

4. Faced with this situation, we are of the considered view that both the learned lower authorities have erred in law and on facts in proceeding against the assessee under section 153C of the Act without recording a valid satisfaction. The Revenue's vehement contentions supporting the same stand rejected therefore. Both these impugned assessments for assessment years 2016-17 and 2017-18 are hereby quashed in very terms.

5. These assessee's twin appeals ITA Nos. 485 & 562/Del/2025 are allowed.

Order pronounced in the open court on 30th September, 2025

Sd/-
(MANISH AGARWAL)
ACCOUNTANT MEMBER

Sd/-
(SATBEER SINGH GODARA)
JUDICIAL MEMBER

Dated: 17th October, 2025.

RK/-

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asst. Registrar, ITAT, New Delhi