

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

**Before Sh. Satbeer Singh Godara, Judicial Member  
&  
Sh. Manish Agarwal, Accountant Member**

**ITA No. 4357/Del./2025 : Asstt. Year : 2012-13**

DCIT, Central Circle-28, New Delhi-110055 (APPELLANT)	Vs	M/s Okaya Power Pvt. Ltd. H-19, Rohtak Road, Udyog Nagar, West Delhi, New Delhi-110041 (RESPONDENT)
<b>PAN No. AADCA7106P</b>		

**Assessee by: Sh. S. S. Nagar, CA**

**Revenue by: Sh. Jitender Singh, CIT-DR**

<b>Date of Hearing: 27.11.2025</b>	<b>Date of Pronouncement: 27.11.2025</b>
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**ORDER**

**Per Satbeer Singh Godara, Judicial Member:**

This Revenue's appeal for Assessment Year 2012-13, arises against the CIT(A)-25, New Delhi's DIN & order No. ITBA/APL/M/250/2024-25/1074923800(1) dated 24.02.2025, in proceedings u/s 153C of the Income Tax Act, 1961.

2. Heard both the parties at length. Case file perused.
3. We notice at the outset that the learned CIT(A) identical lower appellate discussion has quashed the impugned assessment framed by the Assessing Officer u/s 143(3) r.w.s. 153C of the Act dated 25.03.2023 as not sustainable in law as follows:

*"8. I have examined the submissions of the appellant, the facts emanating from record as well as the Court judgements in the matter relied upon by the appellant. The appellant is stated to be a private company engaged*

*in the business of manufacturing of inverters, automotive, e-rickshaws, UPS and solar applications as well as power b ups. It is seen from the assessment order that pursuant to a search and seizure operation carried out on the Alankit group [stated to be a conglomerate of several group companies with diversified activities], Shri Alok Kumar Agarwal, his son Shri Ankit Agarwal and close associates on 18.10.2019, certain incriminating evidences pertaining to the appellant were found and seized, in whose case proceedings u/s 153C of the Act were therefore commenced. In view of the aforesaid, notice u/s 153C of the Act was issued on 06.04.2022 to the appellant and assessment order was subsequently passed on 25.03.2023 determining the income of the appellant for the year at Rs. 3,69,98,626/. Against this impugned assessment order passed u/s 153C of the Act on 25.03.2023, the appellant filed appeal on 21.04.2023 raising 10 (ten) grounds of appeal with various sub-parts and 2 (two) additional grounds of appeal (supra), invoking both legal issues as well as issues on the merits of the additions made and some general grounds. It would be in the fitness of things to examine the legal issues raised by the appellant at the outset as they go to the root of the matter.*

9. *As mentioned above, from a perusal of the grounds of appeal and submissions filed by the appellant, it is seen that the appellant has disputed the merits of the additions made in the assessment order and also challenged the order by raising various legal grounds. In ground no. 3 of appeal and the written submission/s filed, the appellant has raised a legal ground contending that proceedings initiated u/s 153C of the Act in its case for the instant assessment year, i.e. AY 2012-13, are barred by limitation, since the instant assessment year falls beyond the period of 10 years from the date of search, interpreted in this case as the date of taking possession of the seized documents or assets by the AO of the appellant or non-searched person or date of handing over of seized documents by AO of searched person to AO of the appellant/date of issue of notice u/s 153C of the Act. Apropos the aforesaid ground, the appellant has submitted that in its case, proceedings u/s 153C of the Act for the AYs 2010-11 to 2020-21 were initiated by the AO on the basis of search and seizure action u/s 132(1) of the Act conducted on 18.10.2019 on the Alankit group. The appellant has submitted that proceedings initiated for the instant assessment year, i.e. AY 2011-12 are barred by limitation, since the instant assessment year falls beyond the period of 10 years, and hence is outside the scope of relevant assessment year as defined in Explanation 1 to section*

*153A of the Act. In support of the aforesaid submissions, the appellant has placed reliance on the provisions of section 153C r.w.s. 153A of the Act as well as the following judicial pronouncement:*

*Pr. CIT-Central-I v. Ojjus Medicare Pvt. Ltd. [2024 SCC OnLine Del 2439] [Central-1 (2024) 161 taxmann.com 160]*

*9.1 I have considered the aforesaid submissions made by the appellant. In the instant case, the following issues, summarized below, are seen to arise by virtue of this present ground of appeal raised/submission made by the appellant:*

*i) Relating to the date to be reckoned and method for calculating ten assessment years backwards that can be thrown open for assessment/reassessment after search/handing over of seized material to the AO of the non-searched person; and*

*ii) Relating to the date to be reckoned as the cut-off date to determine the 'year of search' so as to ascertain the 'relevant assessment years' in the case of the non-searched entity.*

*9.2 In this regard, it would be in the fitness of things to examine the provisions of the Act u/s 153A of the Act, reproduced as under, in respect of the time limit for issuance of notice:*

*'153A.[(1)] Notwithstanding anything contained in section 139, section 147, section 148, section 149, section 151 and section 153, in the case of a person1-0- where a search is initiated under section 132 or books of account, other documents or any assets are requisitioned under section 132A after the 31st day of May, 2003 — [but on or before the 31st day of March, 2021], the Assessing Officer shall—*

*a. issue notice to such person requiring him to furnish within such period, as may be specified in the notice, the return of income in respect of each assessment year falling within six assessment years [and for the relevant assessment year or years] referred to in clause (b), in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed and the provisions of this Act shall, so far as may be, apply accordingly as if such return were a*

*return required to be furnished under section 139;*

- b. assess or reassess the total income of six assessment years immediately preceding the assessment year relevant to the previous year in which such search is conducted or requisition is made<sup>12</sup>[and for the relevant assessment year or years].*

*Provided that the Assessing Officer shall assess or reassess the total income in respect of each assessment year falling within such six assessment years [and for the relevant assessment year or years]:*

*Provided further that assessment or reassessment, if any, relating to any assessment year falling within the period of six assessment years [and for the relevant assessment year or years] referred to in this [sub-section] pending on the date of initiation of the search under section 132 or making of requisition under section 132A, as the case may be, shall abate :*

*[Provided also that the Central Government may by rules made by it and published in the Official Gazette (except in cases where any assessment or reassessment has abated under the second proviso) specify the class or classes of cases in which the Assessing Officer shall not be required to issue notice for assessing or reassessing the total income for six assessment years immediately preceding the assessment year relevant to the previous year in which search is conducted or requisition is made [and for the relevant assessment year or years]:]*

*[Provided also that no notice for assessment or reassessment shall be issued by the Assessing Officer for the relevant assessment year or years unless—*

- (a) the Assessing Officer has in his possession books of account or other documents or evidence which reveal that the income, represented in the form of asset, which has escaped assessment amounts to or is likely to amount to fifty lakh rupees or more in the relevant assessment year or in aggregate in the relevant assessment years.*
- (b) the income referred to in clause (a) or part thereof has escaped assessment for such year or years; and*

- (c) *the search under section 132 is initiated or requisition under section 132A is made on or after the 1st day of April, 2017.*

*Explanation 1. –For the purposes of this sub-section, the expression "relevant assessment year" shall mean an assessment year preceding the assessment year relevant to the previous year in which search is conducted or requisition is made which falls beyond six assessment years but not later than ten assessment years from the end of the assessment year relevant to the previous year in which search is concluded or requisition is made.*

*Explanation 2. – For the purposes of the fourth proviso, "asset" shall include immovable property being land or building or both, shares and securities; loans and advances, deposits in bank account.].....'*

*9.3 The provisions of the section are further explained stating that the AO shall assess or reassess the total income of six assessment years immediately preceding the assessment year relevant to the previous year in which such search is conducted 'and the relevant assessment year.' The provisions of the above section are to be read in tandem with section 153C of the Act in respect of assessment in the case of a non-searched person.*

*10. Before moving on to the recent judgement of the Hon'ble Delhi High Court delivered in the case of Ojus Medicare on the subject-matter at hand, it would be pertinent to refer to the position of law as laid down by the earlier decisions of the Hon'ble Supreme Court in the case of CIT v. Jasjit Singh [2023] 458 ITR 437 (SC) and the Hon'ble Delhi High Court in the case of CIT v. RRJ Securities Ltd [2016] 380 ITR 612 (Delhi) with regard to the date of reckoning for calculating the assessment years for reopening in the case of a non-searched person/third party, wherein it was observed that as against the date of search, the date on which the AO of the person other than the one searched assumes the possession of the seized assets would be the relevant date for applying the provisions of Section 153A of the Act. The relevant extracts of the decisions of the Hon'ble Supreme Court and the Hon'ble jurisdictional High Court are reproduced below:*

*In Jasjit Singh (supra), the Hon'ble Supreme Court observed as under:*

*'9. It is evident on a plain interpretation of Section 153C(1) that the Parliamentary intent to enact the proviso*

*was to cater not merely to the question of abatement but also with regard to the date from which the six year period was to be reckoned, in respect of which the returns were to be filed by the third party (whose premises are not searched and in respect of whom the specific provision under Section 153-C was enacted). The revenue argued that the proviso (to Section 153(c)(1)) is confined in its application to the question of abatement.*

*10. This Court is of the opinion that the revenue's argument is insubstantial and without merit. It is quite plausible that without the kind of interpretation which SSP Aviation adopted, the A.O. seized of the materials - of the search party, under Section 132 would take his own time to forward the papers and materials belonging to the third party, to the concerned A.O. In that event if the date would virtually "relate back" as is sought to be contended by the revenue, (to the date of the seizure), the prejudice caused to the third party, who would be drawn into proceedings as it were unwittingly (and in many cases have no concern with it at all), is disproportionate. For instance, if the papers are in fact assigned under Section 153-C after a period of four years, the third party assessee's prejudice is writ large as it would have to virtually preserve the records for at latest 10 years which is not the requirement in law. Such disastrous and harsh consequences cannot be attributed to Parliament. On the other hand, a plain reading of Section 153-C supports the interpretation which this Court adopts...'*

*In RRJ Securities (Supra), the Hon'ble Delhi High Court held as under:*

*'24. As discussed hereinbefore, in terms of proviso to Section 153C of the Act, a reference to the date of the search under the second proviso to Section 153A of the Act has to be construed as the date of handing over of assets/documents belonging to the Assessee (being the person other than the one searched) to the AO having jurisdiction to assess the said Assessee. Further proceedings, by virtue of Section 153C(1) of the Act, would have to be in accordance with section 153A of the Act and the reference to the date of search would have to be construed as the reference to the date of recording of satisfaction. It would follow that the six assessment years for which assessments/reassessments could be made under Section 153C of the Act would also have to be construed with reference to the date of handing over of assets/documents to the AO of the Assessee. In this case, it would be the date of the recording of satisfaction*

*under Section 153C of the Act, i.e., 8th September, 2010. In this view, the assessments made in respect of assessment years 2003-04 and 2004-05 would be beyond the period of six assessment years as reckoned with reference to the date of recording of satisfaction by the AO of the searched person. It is contended by the Revenue that the relevant six assessment years would be the assessment years prior to the assessment year relevant to the previous year in which the search was conducted. If this interpretation as canvassed by the Revenue is accepted, it would mean that whereas in case of a person searched, assessments in relation to six previous years preceding the year in which the search takes place can be reopened but in case of any other person, who is not searched but his assets are seized from the searched person, the period for which the assessments could be reopened would be much beyond the period of six years. This is so because the date of handing over of assets/documents of a person, other than the searched person, to the AO would be subsequent to the date of the search. This, in our view, would be contrary to the scheme of Section 153C(1) of the Act, which construes the date of receipt of assets and documents by the AO of the Assessee (other than one searched) as the date of the search on the Assessee, The rationale appears to be that whereas in the case of a searched person the AO of the searched person assumes possession of seized assets/documents on search of the Assessee; the seized assets/documents belonging to a person other than a searched person come into possession of the AO of that person only after the AO of the searched person is satisfied that the assets/documents do not belong to the searched person. Thus, the date on which the AO of the person other than the one searched assumes the possession of the seized assets would be the relevant date for applying the provisions of Section 153A of the Act. We, therefore, accept the contention that in any view of the matter, assessment for AY 2003-04 and AY 2004-05 were outside the scope of Section 153C of the Act and the A O had no Jurisdiction to make an assessment of the Assessee's income for that year.'*

*{Emphasis supplied}*

*11. The issue, thus, i.e. what would be the commencement point for the purposes of computation of the six and ten year block and how the six and ten year block will be computed is no more res integra. In fact, this issue has been considered by the jurisdictional High Court in the case of Principal Commissioner of Income-tax (Central-1) v. Ojjus Medicare (P.) Ltd reported in*

*[2024] 465 ITR 101 (Delhi). In the aforesaid judgment, with respect to what would be the commencement point for the purposes of computation of the six and ten year block, the Hon'ble High Court, after discussing the statutory provisions and various judicial pronouncements, has held as under:*

**F. IDENTIFICATION OF THE COMMENCEMENT POINT FOR THE PURPOSES OF COMPUTATION OF THE SIX AND TEN YEAR BLOCK**

*75. The First Proviso to section 153C significantly shifts the reference point which is spoken of in section 153A(1) while defining the point from which the period of six AYs' is to be calculated, and which stipulates it to be the date of search or requisition, to the date of receipt of books of account, documents or assets seized or requisitioned by the Jurisdictional AO of the non-searched person. The Proviso, thus by virtue of a deeming legal fiction, shifts the commencement point from the date of initiation of search or making of requisition to the date of receipt of books, documents or by the jurisdictional AO of the non-searched person. The shift of the relevant date in the case of a non-searched person thus being governed and regulated by the First Proviso of section 153C(1) is, however, an issue which is no longer res Integra.....*

.....  
.....

*80. The aforesaid discussion thus renders a determinative quietus to the identification of the starting post from which the block of six AYs' or the "relevant assessment year" would have to be calculated. The contention of the respondents that the said block periods would have to be reckoned with reference to the date of search thus can neither be countenanced nor possibly accepted. That submission is clearly addressed contrary to a long and consistent line of precedents which have held to the contrary and which unequivocally accepted the point of commencement for the purposes of identifying the six or the "relevant assessment year" to be etched from the date of handover of documents, assets or things to the AO of the non-searched party.*

.....

*84. As would be evident from the above, although the decisions in Sarwar Agency and RRJ Securities were cited, the learned Judge chose to observe that the section 153C(1) Proviso would only be liable to be construed as relevant for the purposes of abatement. We find ourselves unable to sustain that line of reasoning since both Sarwar Agency as well as RRJ Securities have*

*struck a line which is in consonance with the view taken in SSP Aviation and which has since come to be affirmed by the Supreme Court in Jasjit Singh. In any case, the law as enunciated in RKM Powergen would not sustain bearing in mind the express enunciation of the legal position by the Supreme Court as is manifest from a reading of paragraph 9 of Jasjit Singh.*

*85. That then takes us to the principal question of identifying the point of origin for the purposes of computation of the six AYs' and the "relevant assessment year" as defined by section 153A. As is manifest from a plain reading of section 153C, the six AYs' are ordained to be those which immediately precede the A Y relevant to the previous year in which the search may have been conducted or requisition made. The block of six AYs' would thus have to be identified bearing in mind the AY pertaining to the FY in which the search had been conducted or requisition made. The aforesaid AY would thus constitute the anchor point for the purposes of identification of the six AYs'. The statute envisages a similar process to be adopted for the purposes of computation of the "relevant assessment year" and where applicable constructs a block of ten AYs'. The significant difference between the two however is that while the six AYs' hinge upon the phrase "immediately preceding" the AY pertaining to the search year, the ten AYs' are liable to be computed or reckoned from the end of the AY relevant to the year of search. In our considered opinion, the petitioners have correctly identified the aforesaid distinction as being crucial and determinative for the purposes of reckoning the six and the ten AY block period.*

*11.1 Further, it is seen that in the aforesaid judgment, the Hon'ble High Court has noted the relevant facts which are as under:*

- |                                                                    |                           |
|--------------------------------------------------------------------|---------------------------|
| <i>i. Date of search and seizure operation:</i>                    | <i>18.10.2019</i>         |
| <i>ii. Date of issue of notice u/s 153C:</i>                       | <i>22.03.2022</i>         |
| <i>iii. Assessment years for which notice u/s 153C was issued:</i> | <i>2010-11 to 2020-21</i> |
| <i>iv. Date of passing of the assessment order:</i>                | <i>25.03.2023</i>         |

*11.2 On the aforesaid facts, the Hon'ble High Court has further computed which of the six assessment years/ten assessment years would be form part of the block period. The relevant finding of the Hon'ble High Court in the judgement delivered in Ojjus Medicare (P.) Ltd (supra) in respect thereof is reproduced hereunder:*

**G. COMPUTATION OF THE SIX AND TEN YEAR BLOCK IN THE PRESENT BATCH OF WRIT PETITIONS**

86. In the present batch, List I pertains to writ petitions which have Satisfaction Notes recorded or section 153C notices issued between the period 01 April 2021 to 31 March 2022. Undisputedly, the First Proviso to section 153C, and which has been consistently recognized to also embody the commencement point for reckoning the six or the ten AYs', shifts the relevant date from the date of initiation of search or a requisition made to the date of receipt of books of account or documents and assets seized by the jurisdictional AO of the non-searched person. Consequently, the block of six or ten AYs' would have to be reckoned bearing the aforesaid date in mind. Although in the present batch of writ petitions, the date of actual handing over has not been explicitly mentioned in a majority of the writ petitions, learned counsels for respective sides had addressed submissions based on the assumption that it would be the date of issuance of the Satisfaction Note by the AO of the non-searched person and in the case of non-availability of such a note, the date of issuance of the section 153C notices which would be pertinent for the purposes of the First Proviso to section 153C.

87. Assuming, therefore, that the handover of material gathered in the course of the search and pertaining to the non-searched person occurred between 01 April 2021 to 31 March 2022, the same would essentially constitute FY 2021-22 as being the previous year of search for the purposes of the non-searched entity. As a necessary corollary, the relevant AY would become AY 2022-23. AY 2022-23 would thus constitute the starting point for the purposes of identifying the six years which are spoken of in section 153C. The six AYs' are envisaged to be those which immediately precede the AY so identified with reference to the previous year of search. It would thus lead us to conclude that it would be the six AYs' immediately preceding AY 2022-23 which could have formed the basis for initiation of action under section 153C. Consequently, and reckoned backward, the six relevant AYs' would be: -

<i>Computation of the six-year block period as provided under section 153C of the Act</i>	<i>No. of years</i>
AY 2021-22	1
AY 2020-21	2
AY 2019-20	3
AY 2018-19	4
AY 2017-18	5
AY 2016-17	6

Consequently, AY 2021-22 would become the first of the six preceding AYs' and would as per the table set out hereinabove terminate at AY 2016-17.

88. Section 153A replicates the basis on which the six AYs' are to be identified and computed with the solitary distinction being that in the case of the searched person, the six AYs' are liable to be computed from the AY pertaining to the FY in which the search was conducted. The starting point for the purposes of identifying the six AYs' in the case of section 153A would thus turn upon the year of search as opposed to the handover of material which is spoken of in the First Proviso to section 153C. If one were to therefore assume that a search took place on a person between 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022, the pertinent AY would become Ay 2022-23 and the corresponding six AYs' would be as follows:

Computation of the six-year block period as provided under section 153C of the Act	No.
AY 2021-22	1
AY2020-21	2
AY2019-20	3
AY2018-19	4
AY 2017-18	5
AY2016-17	6

89. That takes us then to the issue of identifying the "relevant assessment year" for the purposes of computing the ten year block. Explanation 1 to section 153A specifies the manner in which the entire ten AY period is to be computed. While the computation of six AYs' follows the position as enunciated and identified above, Explanation 1 prescribes that the ten AYs' would have to be computed from the end of the A Y relevant to the FY in which the search was conducted or requisition made. The ten A Y period consequently is to be reckoned from the end of the AY pertaining to the previous year in which the search was conducted as distinct from the preceding year which is spoken of in the case of the six relevant AYs'.

90. Viewed in that light, and while keeping the period of 01 April 2021 to 31 March 2022 as the constant, the relevant AY would be AY 2022-23. The ten AYs' would have to be computed from 31 March 2023 with the said date indubitably constituting the end of the AY relevant to the previous year of search. Viewed in light of the above, the block period of 10 AYs' would be as follows: -

<i>Computation of the ten-year block period as provided under section 153C read with section 153A of the Act</i>	<i>No. of years</i>
AY 2022-23	1
AY 2021-22	2
AY 2020-21	3
AY 2019-20	4
AY 2018-19	5
AY 2017-18	6
AY 2016-17	7
AY 2015-16	8
AY 2014-15	9
AY 2013-14	10

.....

94. Similarly, and in light of what has been held by us hereinabove, the relevant block of ten AYs' when computed for the period 01 April 2022 - 31 March 2023, and where the Satisfaction Note was drawn by the AO of the non-searched person between those two dates, would be as under: -

<i>Computation of the ten-year block period as provided under section 153C read with section 153A of the Act</i>	<i>No. of years</i>
AY2023-24	1
AY 2022-23	2
AY 2021-22	3
AY 2020-21	4
AY 2019-20	5
AY 2018-19	6
AY 2017-18	7
AY 2016-17	8
AY 2015-16	9
AY 2014-15	10

.....

96. To recall, the petitions forming part of List I pertain to AYs 2010-11, 2011-12 and 2012-13. So far as the aforementioned writ petitions are concerned, undisputedly AY 2010-11, 2011-12 and 2012-13 fall beyond the maximum period of ten AYs'. Since the ten AYs', when computed from the end of AY 2022-23 would terminate upon AY 2013-14, AYs' 2010-11, 2011-12 and 2012-13 would clearly fall outside the block period of ten AYs' and cannot

*legally or justifiably be reopened under section 153C read with section 153A of the Act.*

*97. Proceeding then to List II, we find that the petitions placed in that list pertain to cases where the hand over occurred in FYs 2022-23 and 2023-24. Consequently, the relevant AYs' would be AY2023- 24 and AY 2024-25 respectively. In light of the principles enunciated by us and which explain how the period of six and ten AYs' is liable to be computed, the reopening of assessments pertaining to AYs' 2010-11, 2011-12, 2012-13 and 2013-14 would clearly fall beyond the ambit of ten AYs' as provided under Section 153C read with Section 153A. We note in this behalf that all of the writ petitions forming part of List II pertain to the aforesaid AYs' 2010-11, 2011-12, 2012-13 and 2013-14...*

*{Emphasis supplied}*

*12. From the aforesaid judgment of the Hon'ble jurisdictional High Court, it would be seen that the Hon'ble High Court has held that the block of six AYs' would have to be identified bearing in mind the AY pertaining to the FY in which the search had been conducted or requisition made; however, the ten AYs' are to be computed or reckoned from the end of the AY relevant to the year of search. Accordingly, it has been held that if the Satisfaction Notes have been recorded or Section 153C notices have been issued between the period 01 April 2021 to 31 March 2022, then the relevant AY would be AY 2022-23 and accordingly AY 2022-23 would form the first year of the block of ten AYs' and the period of ten AYs' would terminate in AY 2013-14, and accordingly notices issued for assessment years prior to AY 2013-14 would fall beyond the ambit of ten AYs' as provided under section 153C read with section 153A.*

*12.1 It is seen that facts of the present case are similar to the facts of the aforesaid case in Opus Medicare (P.) Ltd (supra), which for the sake of convenience are tabulated hereunder:*

<b>S.No.</b>	<b>Particulars</b>	<b>Facts of Ojjus Medicare (P.)Ltd</b>	<b>Facts of the case of the appellant</b>
a.	Date of search and seizure operation	18.10.2019	18.10.2019
b.	Person on whom search was conducted	Alankit Group of Companies/entities	Alankit Group of Companies/entities
c.	Date of issue of notice u/s 153C	22.03.2022	06.04.2022
d.	Assessment years for which proceedings u/s 153C were initiated	2010-11 to 2020-21	2010-11 to 2020-21
e.	Date of passing of the assessment order	25.03.2023	25.03.2023

12.2 In this regard, information regarding relevant date/s of recording of satisfaction note/s and handing over of seized documents/material to the AO of the appellant, as provided by the appellant, are seen from the copy of satisfaction note of the jurisdictional AO recorded on - 06.04.2022, mentioning the date of handing over of documents to the AO of the appellant as 16.02.2022, as reproduced below: -

Name of Assessee : M/s Okaya Power Pvt. Ltd.  
PAN : AADCA7106P  
Date of Search : 18.11.2019  
A.Y. : 2020-21 to 2022-23  
Date of receipt of documents : 16.02.2022

**Satisfaction Note for issuing notice u/s 153C of the I-T Act**

In this case, information has been received from DCIT, Central Circle-28, New Delhi, intimating that,

A search and seizure operation was conducted on the premises of Alankit Group on 18.11.2019 analysis of the material & documents seized at the premises of Alankit Group, 328/1, Naraina Colony, Old No 4, Connaught Place, New Delhi, pertaining to M/s QM Leaktex Ltd. have been found. The relevant details are as under:

2. Sh. Om Prakash Gupta is a Delhi based businessman, who owns and controls several companies including Microtek Leasing & Finance Private Limited. Sh. Om Prakash Gupta has taken accommodation entries in his individual accounts as well as in the name of his family members/other beneficiaries from various entities controlled by Sh. Alok Kumar Agarwal, the key promoter of Alankit Group. The parties used for the purpose of taking entries are Divyakar Communications Pvt. Ltd. (referred as Divyakar or DCP), New Delhi, commercial pvt. Ltd.

3. Ledgers related to Sh. Om Prakash Gupta have been obtained from laptop of Sh. Sumit Kumar Gupta found and seized from the residence of Sh. Sumit Kumar Gupta, at 28/28/28, Naraina Colony, Old No. 4, Connaught Place, New Delhi (PAN: BDNKCR A-3284/SHI, KUMAR GUPTA III LAPTOP EXTRACTED DATA Entry No. 10-12-2019).

- There are five ledgers related to Sh. Om Prakash Gupta namely
  - \* O.P. GUPTA
  - \* O.P. GUPTA (OKAYA)
  - \* OMI PRAKASH GUPTA
  - \* OMI PRAKASH GUPTA NSE
  - \* O.P. GUPTA (CO-256)

4. All the ledgers related to Sh. Om Prakash Gupta have been analysed. Based on the detailed analysis of Ledgers of Sh. Om Prakash Gupta, it came to light that the unaccounted

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cash transactions have been made to the extent as summarily quantified below for each ledger:

Particulars	FY	Sum of Unaccounted Cash Payments made to Sh. Alok K Agarwal	Sum of Unaccounted Cash received from Sh. Alok K Agarwal
O.P. GUPTA (OKAYA)	2011-12		7,39,98,000

5. The unaccounted cash so paid/received by Sh. Om Prakash Gupta to Sh. Alok Kumar Agarwal has mainly been utilized to give accommodation entries in following companies:

S. No.	Company	Directors
	Okaya Power Ltd	Amr Gupta, Saurabh Gupta, (Om Prakash Gupta was director till Dec 2019)

6. From the detailed analysis of ledgers of Sh. Om Prakash Gupta, it is seen that amount is being given in cash to Sh. Alok Kumar Agarwal, in lieu of which RTGS/Cheque transfer is being made to Sh. Om Prakash Gupta or to companies belonging to/controlled by him and his family members:

Sl. No.	Date	Particulars	Amount	Mode	Beneficiary
1	18.11.2019	...	...	...	...
2	...	...	...	...	...
3	...	...	...	...	...
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Date, it to be read as 20 years ahead, to on 18<sup>th</sup> and 25<sup>th</sup> Nov 2019, each of Rs. 2.5 crores, and 4.5 crores are given by Sh. Om Prakash Gupta, corresponding RTGS/Cheque transfer of total Rs. 7 crores are made to Microtek and Okaya Power through NCA.



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7. Besides his own account, the amounts received /paid by Om Prakash Gupta has been utilized in the form of "bogus unsecured loans/ interest" as tabulated below:

Name of beneficiary	F.Y	Transaction done with	Amount debited to beneficiary	Amount credited to beneficiary
OKAYA POWER LTD	2010-11	NCPL	4,50,00,000	
	2011-12	Cash	72,00,000	
OKAYA POWER LTD Interest	2011-12	NCPL		4,86,03,141
		MISC INCOME	12,01,690	

8. Accordingly, I am satisfied that these documents (Laptop & Ledgers) recovered during the course of search and seizure operation mentioned above, have a bearing on the determination of total income of M/s PM Logistics Ltd. for A.Y's 2010-11 to 2020-21. Hence, notice u/s 153C of the Income Tax Act, 1961 is being issued for A.Y's 2010-11 to 2020-21.

9. It is to be mentioned here that since the limitation for issuing notice u/s 143(2) of the Income Tax Act, 1961 for A.Y 2020-21 (Search Year) has already expired before receiving the satisfaction note by the Assessing officer, the notice for assessment year 2020-21 (Search Year) is also issued u/s 153C of the Income Tax Act, 1961 as per provisions of Section 153C(2) of the Income Tax Act, 1961.

Date: 06.04.2022

ACTT, Circle-19(1), New Delhi

To summarize, the relevant dates in the instant case as submitted by the appellant and seen from record are:

- Date of recording of Satisfaction note by the AO of the searched person -16.02.2022 [pertaining to AY 2022-23]
- Date of receipt of seized material by the AO of the non-searched person /appellant -06.04.2022 [pertaining to AY 2023-24]
- Date of issue of notice u/s 153C of the Act - 06.04.2022 [pertaining to AY 2023-24]

12.3 It is thus seen that the facts of the present case are similar to the facts considered in the case of *Ojjus Medicare (P.) Ltd (Supra)* [which also refers to the same Search and seizure operation on the Alankit group]. In the instant case of the appellant under consideration, while notice u/s 153C of the Act was issued to the appellant on 06.04.2022, i.e. in the FY 2022-23 relevant to the AY 2023-24, however, the seized documents/material were received by the AO of the appellant in the preceding financial year, on 16.02.2022, i.e. in the FY 2021-22 relevant to the AY 2022-23. The Hon'ble Court in para 86 of the judgment in the case of *Ojjus Medicare (supra)* has observed that -

... Undisputedly, the First Proviso to section 153C, and which has been consistently recognized to also embody the commencement point for reckoning the six or the ten A Ys', shifts the relevant date from the date of initiation of search or a requisition made to the date of receipt of books of account or documents and assets seized by the jurisdictional AO of the non-

*searched person. Consequently, the block of six or ten AYs' would have to be reckoned bearing the aforesaid date in mind....*

*As mentioned earlier, the date of receipt of seized documents/assets by the AO of the appellant is available in the instant case and mentioned as 16.02.2022. Accordingly, on the aforesaid facts in the instant case of the appellant, following the judgement of the Hon'ble jurisdictional High Court, it is held that the period of ten AYs' would commence being counted w.e.f. the AY 2022-23, which, by backward counting, would terminate in AY 2013-14. Accordingly, respectfully following the aforesaid judgment of the jurisdictional High Court in the case of Ojjus Medicare (P.) Ltd (supra), it is held that notice issued on 06.04.2022 for instant assessment year, AY 2012-13, would fall beyond the ambit of ten AYs' as provided under section 153C read with section 153A, and hence the impugned assessment order dated 25.03.2023 passed u/s 153C of the Act for the instant AY 2012-13 in pursuance of such notice would not survive, having no legs to stand, and is thus annulled, being beyond the period of 10 years.*

*12.4 As it is held that the Assessing Officer did not have the jurisdiction to assess the appellant's case for the A.Y 2012-13, therefore, all the other grounds raised by the appellant are rendered academic in nature, and hence not required to be adjudicated upon. There is hence no adjudication on merits in this case.*

*13. In the result the appeal filed by the appellant is allowed."*

4. We have given our thoughtful consideration to the Revenue's and the assessee's respective vehement submissions against and in support of the CIT(A)'s above extracted detailed discussion. We make it clear that there is no dispute on fact *inter alia* the learned departmental authorities to have carried out the search in question in M/s Alankit Group of cases wherein the assessee's Assessing Officer received the seized material on 15.03.2022 and recorded his section 153C satisfaction on the very date. All this admittedly followed

section 153C notice issued to the assessee on 22.03.2022 as per the facts emanating from the case records.

5. The above being the clinching fact, we find merit in the learned CIT(A)'s detailed discussion that once the date of search in such an instance as per section 153C(1) 1<sup>st</sup> proviso is the date of receipt of records by the non-searched person's Assessing Officer, it is the said date which forms the date of search itself; and, therefore, the ten relevant assessment years ought to be counted backwards in light of Explanation (1) to section 153A of the Act i.e. from "end of the assessment year relevant to the previous year in which search is conducted or requisition is made." Learned CIT-DR could hardly dispute that given the fact that the assessee's Assessing Officer had received the records in assessment year 2022-23, the relevant ten assessment years to be covered for the purpose of framing the assessment in the assessee's case terminate upto assessment year 2013-14 whereas the assessment year before us is A.Y. 2012-13.

6. Faced with this situation, the Revenue vehemently argues that we ought to go by the date of original search dated 18.10.2019 wherein the ten assessment years duly include A.Y. 2010-11 onwards. We are afraid that such an interpretation would go against Ojjus Medicate (P.) Ltd. (supra) already

settling the issue in assessee's favour and against the department. We accordingly find no merit in the Revenue's vehement contentions to uphold in the learned CIT(A) identical detailed discussion quashing the impugned assessment herein as non-est in the eyes of law in very terms. This Revenue's appeal fails therefore.

7. All other remaining pleadings between the parties stand rendered academic.

8. This Revenue's appeal is dismissed, in above terms.

Order Pronounced in the Open Court on 27/11/2025.

Sd/-

Sd/-

**(Manish Agarwal)**  
**Accountant Member**

**(Satbeer Singh Godara)**  
**Judicial Member**

**Dated: 27/11/2025**

\*Subodh Kumar, Sr. PS\*

Copy forwarded to:

Appellant

1. Respondent

2. CIT

3. CIT(Appeals)

4. DR: ITAT

**ASSISTANT REGISTRAR**