

IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH "F", DELHI

BEFORE SH. S. RIFAUR RAHMAN, ACCOUNTANT MEMBER
AND
SH. SUDHIR KUMAR, JUDICIAL MEMBER

ITA No. 3856/DEL/2025
Assessment Year: 2015-16

DCIT, CC-17, NEW DELHI ROOM NO. 244, E-2, ARA CENTRE JHANDEWALAN EXTN., NEW DELHI	Vs.	M/S MANI CAPITAL LIMITED, 14, RATAN MAHAL, 15/197, CIVIL LINES, KANPUR, UTTAR PRADESH (PAN: AAACD4969L)
(APPELLANT)		(RESPONDENT)

Assessee by	Sh. Sundeep Chadha, CA
Department by	Ms. Monika Singh, CIT-DR

Date of hearing:	06/01/2026
Date of Pronouncement:	14/01/2026

ORDER

PER SUDHIR KUMAR, JUDICIAL MEMBER:

This appeal by the Revenue is directed against the order of the Ld. CIT(A)-26, New Delhi vide order dated 23-12-2024 pertaining to A.Y. 2015-16 arising out the assessment order dated 31-03-2023 passed u/s. 153C r.w.s. 143(3) of the Income-tax Act, 1961, (in short 'the Act').

2. The Revenue has raised the following grounds in its appeal :-

1. *Whether on the facts and circumstances of the case and in law, Ld. CIT(A) is correct in allowing relief to the assessee by holding that the additions were not based on seized / incriminating material when*

the order of the AO contains exhaustive details of incriminating material and the information regarding the assessee extracted from it?

2. Whether on the facts and circumstances of the case and in law, Ld. CIT(A) erred in holding that transactions of the assessee recorded in unaccounted / parallel books of accommodation entry provider do not constitute incriminating document of the assessee?

3. Whether on the facts and circumstances of the case and in law, Ld. CIT(A) is correct in allowing relief to the assessee by holding that the additions were not based on seized / incriminating material when reasons for additions u/s. 69A of the Act and disallowance of interest u/s. 37 of the Act are directly linked to the incriminating material.

4. Whether on the facts and circumstances of the case and in law, the Ld. CIT(A) is correct in relying on jurisdictional High Court's decision in case of Ojjus Medicare in holding that block periods for assessment under section 153C of the Income Tax Act, 1961 in holding that block periods for assessment under section 153C of the Income Tax Act, 1961 have to be calculated from the date of receipt of the books of accounts, documents or assets seized, by the jurisdictional AO of the non-searched person and not from the date of initiation of search by relying on First Proviso to Section 153C, even when this Proviso specifically deals only with the abatement of proceedings (as referred to second proviso of Section 153A) and does not deal with the calculation of block periods?

5. Whether on the facts and circumstances of the case and in law, the CIT(A) was justified in holding that block periods for assessment u/s. 153C of the Act, have to be calculated from the date of receipt of the books of accounts, documents or assets seized, by the jurisdictional AO of the non-searched person and not from the date of

initiation of search by relying on First Proviso to Section 153C, even when this Proviso cannot override the main provisions of Section 153C(1) which clearly mentions that calculation of block period has to be done from the year of search?

6. *Whether on the facts and under the circumstances of the case and in law, the CIT(A) was justified in holding that block periods for assessment u/s. 153C of the Act have to be calculated from the date of receipt of the books of accounts, documents, or assets seized, by the jurisdictional AO of the non searched person, even when the position of law is clarified after the amendment introduced by Finance Act, 2017, that the block period of 6 AYs and 10 AYs as mentioned in sub section (1) of Section 153C and Section 153A have same meaning and have to be calculated from the “assessment year relevant to the previous year in which search is conducted.”*

7. *Whether on the facts and circumstances of the case and in law, Ld. CIT(A) justified in relying on the judgement of Hon’ble Supreme Court in the case of CIT vs. Jasjit Singh (2023) SCC Online SC 1265) even though the facts of the present case are different from that of Jasjit Singh case, since the decisions rendered by the Court in Jasjit Singh had dealt with a pre-2017 position (i.e. for search conducted before 1st April, 2017) and hence are clearly distinguishable?*

8. *Whether on the facts and circumstances of the case and in law, the Ld. CIT(A) was justified in holding that block periods for assessment u/s. 153C of the Income Tax Act, 1961 have to be calculated from the date of receipt of the books of accounts, documents, or assets seized, by the jurisdictional AO of the non-searched person, even when this interpretation is contrary to the legislative intent since for the years after the search there can never be incriminating seized material and as such assessment in years*

cannot never be incriminating seized material and as such assessment in years cannot be made u/s. 153C of the Act.

3. At the threshold, it is noted that there is delay of 73 days in filing the appeal before the Tribunal and in this regard, the Revenue has filed the application for condonation of delay in dispute by stating that due to significant workload and pending pressuring matters have resulted in inadvertent delay in filing the appeal. It was also requested that the delay in filing the appeal is regretted and may kindly be condoned as it was unintentional, and bonafide. Ld. AR could not controvert the aforesaid plea of the Revenue. After hearing the rival contentions and perusing the records, we are of the considered view that reasonable cause has been attributed to the Revenue which was not intentional, hence, we condone the delay of 73 days in filing the appeal before the Tribunal and proceed further.

4. Brief facts of the case are that the original return of income was filed, by the assessee on 23.9.2015 declaring income of Rs. 3,21,843/-. A search and seizure operation u/s. 132 of the Act was carried out on 18.10.2019 in the case of M/s Alankit Limited, Shri Alok Kumar Aggarwal, Sh. Ankit Agarwal, M/s Alankit Group. During search proceedings some documents including digital data were found and seized. On perusal of the seized data/ documents it was found that certain documents and information contained therein pertains to the assessee M/s Mani Capitals Limited. Thereafter, assessment was completed u/s. 144 r.w.s. 153C of the Act with an addition of Rs. 8,84,540/-. Against the above, assessee appeal before the Ld. CIT(A), who vide his impugned order dated 23.12.2024 has allowed the appeal of the assessee on the ground that addition made by the AO for the assessment years 2014-15 to 2016-17 is Rs. 8,84,540/- which is below the amount threshold of Rs. 50 lacs and accordingly, the condition as

prescribed under the proviso to Section 153A are not met. Aggrieved, Revenue is in appeal before the Tribunal.

5. The Ld. DR relied the order of the AO. She submitted that the case is not covered from the decision of the Hon'ble Delhi High Court passed in the Ojjus Medicare (P.) Ltd. (Supra)

6. We have heard the parties and perused the material on record. At the time of hearing, Ld. AR has submitted that in the case of PCIT (Central-1) vs. Ojjus Medicare (P) Ltd. the Hon'ble High Court held that the block period was to be computed from date of receipt by the Assessing Officer of the non-searched person of books or documents or assets seized or requisitioned, where date of handing over of documents was not available, date of issuance of satisfaction note by the Assessing Officer under section 153C would be pertinent for the purpose of first proviso to section 153C(1). In this case search was conducted on the Alankit Group on 18.10.2009, but the seized documents were handed over to the AO of the assessee on 22.06.2022. For the assessee, the relevant search assessment year would be AY 2023-24. The Assessment year 2015-16 falls in the 9th year. But the mandatory monetary threshold of Rs. 50 lacs as per the 4th proviso of sub-section (1) of the Section 153A. Under the 4th proviso to section 153A(1), a notice for an assessment year beyond the six year block but not later than 10 assessment years can only be issued if the AO has evidence that income represented in the form of an asset amounting to Rs. 50 lacs or more has escaped assessment in the AY's 7th to 10th years under consideration. We note that AO also noted escaped income is Rs. 8,84,540/- which is below the threshold limit of Rs. 50 lacs. Therefore, Ld. CIT(A) rightly allowed the appeal of the assessee on the jurisdictional issue, which does not need any interference on our part, hence, we uphold the same.

5. In the result, the appeal of the Revenue is dismissed.
Order pronounced in the open court 14.01.2026.

Sd/-

**(S. RIFAUH RAHMAN)
ACCOUNTANT MEMBER**

Date: 14.01.2026

SR Bhatnagar

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

Sd/-

**(SUDHIR KUMAR)
(JUDICIAL MEMBER)**

ASSISTANT REGISTRAR, ITAT DELHI