

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD**R/SPECIAL CIVIL APPLICATION NO. 24675 of 2022**

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NIRMA LIMITED

Versus

ASSISTANT COMMISSIONER OF INCOME TAX CIRCLE 3(1)(1),
AHMEDABAD & ANR.
=====

Appearance:

MR B S SOPARKAR(6851) for the Petitioner(s) No. 1

MR UTKARSH R SHARMA(6157) for the Respondent(s) No. 1-2
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CORAM: **HONOURABLE MR. JUSTICE A.S. SUPEHIA**

and

HONOURABLE MR. JUSTICE PRANAV TRIVEDI**Date : 17/02/2026****ORAL ORDER****(PER : HONOURABLE MR. JUSTICE A.S. SUPEHIA)**

1. Heard learned advocate Mr.B.S. Soparkar, appearing for the petitioner and learned Senior Standing Counsel Mr. Utkarsh Sharma, appearing for the respondents.

2. **RULE** returnable forthwith. Learned Senior Standing Counsel waives service of notice of Rule for the respondents.

3. The petitioner has prayed for the following reliefs :-

"7(a) quash and set aside the impugned notices dated 31.03.2022 for the A.Y. 2008-09, AY 2009-10, AY 2010-11 and AY 2011-12 at Annexure-'A (Colly) to this Petition.

(b) quash and set aside the impugned notices dated 15.11.2022 for the A.Y. 2008-09, AY 2009-10, AY 2010-11 and AY 2011-12 at Annexure-'B (Colly)' to this Petition."

4. The brief facts of the case are as under :-

4.1 One Siddhi Vinayak Cement Private Limited was incorporated on 26.03.2008. During Financial Years 2009-10 to

2011-12, it received funds by way of share application money, loans, and inter-corporate deposits. Utilizing the said funds, it purchased parcels of land during Financial Years 2010-11 and 2011-12 aggregating to Rs.104,82,31,209/- from various parties. The petitioner acquired all the issued shares of Siddhi Vinayak Cement Private Limited in October 2011.

4.2 A search under Section 132 of the Income-tax Act, 1961 (in short, "the Act") was conducted on 06.03.2018 in the case of the Satyam, Sangani Shaligram Group (hereinafter referred to as the "SSS Group") of companies. Certain alleged incriminating documents were found in relation to transactions involving one Hanubhai Sanghani. Based on such documents, notices under Section 153C of the Act, came to be issued to the petitioner for Assessment Years 2008-09 to 2018-19 on 31.03.2022. Along with the said notices, a satisfaction note recorded by the respondent No.1 was supplied to the petitioner. However, the satisfaction note recorded by the Assessing Officer of the searched person, i.e., the respondent No.2, was not supplied at that time.

4.3 The petitioner filed returns of income in April 2022 for Assessment Years 2008-09 to 2018-19. Since the satisfaction note recorded by the Assessing Officer of the searched person (the respondent No.2) was not furnished, the petitioner requested a copy thereof vide letters dated 04.05.2022, 19.05.2022 and 24.05.2022.

4.4 Thereafter, on 05.05.2022, the petitioner received notices under Section 143(2) of the Act for Assessment Years 2012-13 to 2018-19 from the respondent No.1. Subsequently,

by an order dated 27.05.2022 passed under Section 127(2) of the Act, jurisdiction was transferred from the respondent No.1 to the respondent No.2.

4.5 Despite repeated requests, the petitioner did not receive the satisfaction note recorded by the respondent No.2. The petitioner, therefore, filed objections to the issuance of the impugned notices vide letter dated 30.05.2022, *inter alia* again seeking a copy of the satisfaction note recorded by the respondent No.2. No response was received for a considerable period. Eventually, on 11.08.2022, the respondent No.2 passed an order disposing of the objections raised by the petitioner, however, the copy of the satisfaction note recorded by the respondent No.2 was still not furnished, although the order stated that the same was enclosed.

4.6 Thereafter, notices under Section 142(1) of the Act dated 21.09.2022 and 23.09.2022 came to be issued by the respondent No.2.

4.7 Subsequently, on 15.11.2022, the petitioner received impugned notices under Section 143(2) of the Act, issued by respondent No.2, for Assessment Years 2008-09, 2009-10, 2010-11 and 2011-12.

4.8 The petitioner once again, vide letter dated 16.11.2022, requested a copy of the satisfaction note recorded by the respondent No.2. This time, the same was furnished on 17.11.2022. Hence, this petition.

5. At the outset, learned advocate Mr. B.S. Soparkar has placed reliance on the decision of the Supreme Court in the

case of Commissioner of Income Tax Vs. Jasjit Singh, [2023] 155 Taxmann.com 155(SC) and submitted that in the facts of the present case, the Assessment Year 2013-14 is of the 10th year and the impugned action of the respondent is required to be quashed and set aside. Moreover, it is pointed out that as per the decision of the Apex Court in the case of Jasjit Singh (supra) the impugned notices travelled beyond the period of ten years and the same may be quashed and set aside.

6. Learned advocate Mr.B.S.Soparkar for the petitioner submitted that the notice under Section 153C of the Act is time barred in view of the decision in case of ***Jasjit Singh (supra)*** whereby the period of assessing the Assessment Years prior to search begins from the date of receiving books of accounts/documents/assets seized or requisitioned from Assessing Officer of searched person.

7. Learned Senior Standing Counsel Mr. Utkarsh Sharma, appearing for the respondents has submitted that in view of the decision of the Supreme Court in the case of ***Jasjit Singh (supra)***, for the purposes of Section 153C of the Act, the relevant reference date is the date on which the seized material is handed over to the Assessing Officer of the “other person.” In the present case, since such handing over took place in March 2022, proceedings under Section 153C of the Act could have been validly initiated only for Assessment Year 2012-13 onwards. Consequently, the notices issued for Assessment Years 2008-09 to 2011-12 are barred by limitation and are liable to be set aside. It is further submitted that the aforesaid contention is without prejudice to the notices issued

under Section 153A and Section 153C of the Act for the other Assessment Years in the case of the assessee. He has further submitted that the Assessing Officer of the searched person recorded satisfaction on 04.03.2022 and, therefore, the Respondents are unable to controvert the factual averments made in the writ petition, particularly with regard to the action being beyond the permissible period of ten years.

8. Having heard the learned advocates for the parties, at this stage we may incorporate the relevant observations of the Apex Court in the case of **Jasjit Singh (supra)**, which reads 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 dis-proportionate. 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.”

9. Since learned Senior Standing Counsel Mr.Utkarsh Sharma, is unable to controvert the facts, which are mentioned hereinabove and as canvassed by learned advocate Mr.Soparkar, the impugned notices issued under section 153C of the Act for the Assessment Year 2008-09 to Assessment Year 2011-12 at Annexure -'A1' to 'A4' respectively dated 31.03.2022 are required to be quashed and set aside as the same are barred by limitation being beyond 10 years and the same are hereby quashed and set aside.

10. The present petition stands disposed of. Rule is made absolute accordingly.

Sd/-
(A. S. SUPEHIA, J)

Sd/-
(PRANAV TRIVEDI,J)

MAHESH/01

Original copy of this order has been signed by the Hon'ble Judges.
Digitally signed by: MAHESH OMPRAKASH BHATI(HC01086), PRIVATE SECRETARY, at High Court of Gujarat on 18/02/2026 17:20:06