

ITEM NO.4

COURT NO.17

SECTION IX

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

SPECIAL LEAVE PETITION (CIVIL) Diary No(s). 17801/2026

[Arising out of impugned final judgment and order dated 25-09-2025 in ITA No. 2292/2018 passed by the High Court of Judicature at Bombay]

PR. COMMISSIONER OF INCOME TAX- 8

Petitioner(s)

VERSUS

SPRIT TEXTILE (P) LTD.

(SUCCESSOR OF PRAJATAMA TRADING CO. LTD.)

Respondent(s)

IA No. 104103/2026 - CONDONATION OF DELAY IN FILING

Date : 15-04-2026 This matter was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE K.V. VISWANATHAN
HON'BLE MR. JUSTICE VIPUL M. PANCHOLI

For Petitioner(s) Mr. Raghavendra P. Shankar, A.S.G.
Ms. Pallavi Mishra, Adv.
Ms. Rajeshwari Shankar, Adv.
Mr. Aman Jha, Adv.
Mr. Vijay Awana, Adv.
Mr. Sudarshan Lamba, AOR

For Respondent(s)

UPON hearing the counsel the Court made the following
O R D E R

1. Delay condoned.
2. Heard Mr. Raghavendra P. Shankar, learned Additional Solicitor General (ASG) for the petitioner-Revenue.
3. Learned ASG contends that the assessment year in question is 2012-2013. The notice under Section 143(2) of the Income Tax Act, 1961 (for short, 'IT Act') was issued on 09.08.2013 in the name of Prajatama Trading Co. Ltd. The said notice was

served on 13.08.2013. The notice under Section 142(1) of the IT Act with the questionnaire, was issued on 16.10.2014. Learned ASG contends that the appointed day for amalgamation was 01.04.2013. Learned ASG contends that neither in the response to the questionnaire, nor in the submissions the aspect of amalgamation was brought to the notice to the Assessing Authority. Learned ASG submits that while the assessee succeeded substantially in the assessment, the assessee failed on dis-allowance of certain interest under Sections 36(1)(ii) and 14A read with Rule 8D of IT Act. On this aspect an appeal was filed before the Commissioner of Income Tax Appeals on 24.03.2015 in the name of Prajatama Trading Co.Ltd., which was allowed.

4. Learned ASG contends that the objection to jurisdiction was taken only when *suo moto* revision was exercised under Section 263 of IT Act. Learned ASG submits that under Section 124(3) of the IT Act, objection to jurisdiction has to be taken within a period of 30 days of receipt of notice under Section 142(1) of the IT Act, which would have expired on 15.08.2014. Learned ASG also draws attention to Section 170 of the IT Act to contend that in the event of amalgamation, it is the predecessor-in-interest that would be assessed in respect of the income of the previous year in which the succession took place. Learned ASG draws attention to the Court to the Judgment reported in 2022(19) SCC 1 titled *Principal Commissioner of Income Tax vs. Mahagun Realtors (Private) Limited*, more particularly paragraphs 32 and 33 to contend

that the judgment in *C.I.T. vs. Maruti Suzuki (India)Ltd. reported in 2020 (18) SCC 331* relied upon by the Income Tax Appellate Tribunal and the High Court turned on its own facts.

5. In view of the above, learned ASG submits that Principal Commissioner Income Tax Circle-7 had jurisdiction and the revisional power was rightly invoked.

6. Issue notice, returnable on 25th May, 2026.

(NIRMALA NEGI)
ASTT. REGISTRAR-cum-PS

(MANOJ KUMAR)
COURT MASTER (NSH)