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\* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

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*Date of Decision : 02.07.2025*

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W.P.(C) 11601/2024 and CM APPL. 48202/2024

M/S INDEPENDENT NEWS SERVICE PVT. LTD.

....Petitioner

Through: Mr M.P. Rastogi with Mr Ram Naresh and Mr Shivam Malik, Advocates.

versus

THE ASSESSING OFFICER, CIRCLE 10(1) & ANR.

.....Respondents

Through: Mr Gaurav Gupta, SSC with Mr Shivendra Singh and Mr Yojit Pareek, JSCs.

**CORAM:**

**HON'BLE MR. JUSTICE VIBHU BAKHRU**

**HON'BLE MR. JUSTICE TEJAS KARIA**

**VIBHU BAKHRU, J. (ORAL)**

1. The petitioner has filed the present petition impugning an order dated 08.04.2024 passed under Section 148A(d) of the Income Tax Act, 1961 [**the Act**] as well as consequent notice issued under Section 148 of the Act.
2. The petitioner had filed its income tax return on 18.10.2017 declaring an income of ₹61,35,36,200/- for Assessment Year [**AY**] 2017-18. Thereafter on 26.03.2019, the petitioner filed a revised income tax return declaring an income of ₹61,10,86,200/- for AY 2017-18. The return was picked up for scrutiny and the Assessing Officer [**AO**] completed the



assessment for AY 2017-18 and passed an order dated 22.11.2019 under Section 143(3) of the Act.

3. The AO initiated proceedings for reopening of the assessment by issuing a notice under Section 148A(b) of the Act on 26.03.2024. According to the AO, the information as set out in the Annexure to the said notice, suggested that the petitioner's income for AY 2017-18 had escaped assessment. The annexure to the said notice indicates that on 11.05.2019, a survey under Section 133A of the Act was conducted by the Income Tax Department at the Headquarters of Jammu and Kashmir Bank [**J & K Bank**], M.A Road, Srinagar. During the course of the survey, information relating to inward and outward remittances was collected. It was reported that the petitioner had made foreign remittances amounting to ₹6,50,84,454/- during AY 2017-18. The AO observed that the amounts reflected in the remittances data did not tally with the amounts reflected in the bank statement of the petitioner. This, according to the AO, suggested that the petitioner's income amounting to ₹6,50,84,454/- had escaped assessment for AY 2017-18. The annexure to the notice issued under Section 148A(b) of the Act is reproduced below:

**“ANNEXURE**

Information has been received. in this case on Insight portal under the head High Risk CRIU/VRU, maintained by Income Tax Department in accordance with the risk management strategy formulated by the Board. As per the information available with the Department, it is submitted that a survey action u/s 133A of the Income Tax Act,1961 was conducted on J&K Bank corporate Head Quarter MA Road, Srinagar on 11.06.2019. Among various filed of formation data related to inward and outward remittances was obtained for various financial years and information related to outward remittances has been analyzed and during the analysis of



remittances data/information it was observed that the amount reflected in the remittance data obtained from the bank does not tally with the amounts reflected in the bank statement of the assessee. Assessee company has made total foreign remittances amounting to Rs.6,50,84,454/- during the AY 2017-18.

Copies of all the relevant documents are attached herewith this notice.

2. Therefore, an amount of Rs. 6,50,84,454/- appears to have escaped assessment for the A.Y. 2017-18 which needs to be brought to tax by issuing notice u/s 148 of the Income Tax Act, 1961. Accordingly, you are hereby required to show cause as to why proceedings u/s 148/148A of the Act should not be initiated to bring to tax the above said amount of Rs. 6,50,84,454/-.

3. In view of the above, you are hereby given an opportunity to submit your reply with all documentary evidences such as copy of ITR, Form 26AS, Balance sheet, computation of income, bank account statements etc. for the relevant AY in support of your contention within 7 days from the date of issue of this notice, failing which it will be presumed that you have nothing to say in this regard and necessary steps will be taken to initiate the proceedings as per provisions of I.T. Act. This is issued as per provisions of sec. 148A(b) of the Act.”

4. The petitioner responded to the said notice on 02.04.2024 raising various objections including disputing the quantum of alleged remittances. The petitioner had also obtained a confirmation from the J&K Bank which indicated that the information regarding the remittances alleged in the notice issued under Section 148A(b) of the Act did not pertain to the petitioner. The petitioner also forwarded a copy of the said confirmation received from the J&K Bank along with its reply.

5. Notwithstanding the petitioner’s response that the information received did not pertain to it, the AO has passed the impugned order dated 08.04.2024 holding that it was a fit case for issuance of a notice under



Section 148 of the Act. The AO concluded that inward and outward foreign remittance transactions amounting to ₹11,37,67,029/- remain unexplained.

The relevant extract of the impugned order is set out below:

“e) On further perusal of the information/details available on Insight Portal, it is revealed that the assessee has entered into the following foreign remittances transactions during the assessment year under consideration:

S.No.	Information type	Amount (Rs.)
1	Sending of foreign remittance as per Form-15CC	1,28,84,470/-
2	Receipt of remittance by a non-resident or by a foreign company as per Form-15CA	7,08,50,894/-
3	Certificate of accountant on foreign remittance as per Form-15CB	3,00,31,665/-
	<b>Total</b>	<b>11,37,67,029/-</b>

It is evident from the above information that assessee has entered into inward and outward foreign remittances which was also verified from the bank statements of the assessee company for the AY 2017-18 for which assessee has not provided any explanation and the nature of inward/outward remittances made by the assessee remains unexplained.

In view of above facts and after going through the material available on record, it has been concluded that inward/outward foreign remittances transactions amounting to Rs.11,37,67,029/- remains unexplained and income of Rs.11,37,67,029/- chargeable to tax pertaining to the AY 2017-18 has escaped assessment which is more than fifty lakhs rupees and the same is represented



in the form of an entry or entries in books of accounts of the assessee. Thus, the assessee's case is covered under provisions of section 149(1)(b) of the Act.”

6. It is noted that the notice dated 26.03.2024 issued under Section 148A(b) of the Act did not contain any allegation regarding income amounting to ₹11,37,67,029/- escaping assessment. The only information which, according to the AO, suggested that the petitioner's income for AY 2017-18 has escaped assessment was information to the effect that the Assessee had made foreign remittances amounting to ₹6,50,84,454/-. It is apparent that the impugned order has thus, travelled beyond the scope of the notice under Section 148A(b) of the Act.

7. In view of the above, we are of the view that the impugned order cannot be sustained. It is also clear that there is also a question as to the credibility of the information as set out in the notice issued under Section 148A(b) of the Act considering that the petitioner has obtained confirmation from the J&K Bank regarding the remittances made by it. However, in our view, the impugned order cannot be sustained on the ground that it travels beyond the scope of the notice issued under Section 148A(b) of the Act. It is thus not necessary to examine the other issues as raised in the present petition.

8. In view of the above, we set aside the impugned order.

9. We clarify that in the event that the AO has any credible information which suggests that the petitioner's income has escaped assessment for the relevant assessment year, the AO is not precluded from issuing a fresh notice albeit in accordance with law.



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10. The petition is disposed of in the aforesaid terms. Pending application shall also stand disposed of.

**VIBHU BAKHRU, J**

**TEJAS KARIA, J**

**JULY 02, 2025/tr**

*Click here to check corrigendum, if any*