Nippon Life India Asset Management Limited — Writ Petition Nos. 4516/2025, 4576/2025 and 4786/2025

2026:BHC-OS:9340-DB 5.6.7.wp.4516.25.4576.4786.25.doc IN THE HIGH COURT OF JUDICATURE AT BOMBAY ORDINARY ORIGINAL CIVIL JURISDICTION WRIT PETITION NO.4516 OF 2025 WITH WRIT PETITION NO.4576 OF 2025 WITH WRIT PETITION NO.4786 OF 2025 Nippon Life India Asset Management Limited, Mumbai .. Petitioner Versus Deputy Commissioner Income-tax Central Circle 3(4), Mumbai & Ors .. Respondents Mr. Niraj Seth, Gunjan Kakad, Balasaheb S. Yewale, Rupali Vasaikar , with Mr. & , Advocates for the Petitioner. Mr. N. C. Ranganayakulu, Advocates for the Respondents. Digitally signed ANJALI by ANJALI TUSHAR TUSHAR ASWALE CORAM: B. P. COLABAWALLA & Date: ASWALE 2026.04.15 15:29:26 +0530 FIRDOSH P. POONIWALLA, JJ. DATE: APRIL 7, 2026 P. C.

1. Rule. Respondents waive service. With the consent of parties, Rule made returnable forthwith and heard finally. Page 1 of 12 APRIL 7, 2026 Aswale ::: Uploaded on - 15/04/2026 ::: Downloaded on - 17/04/2026 21:22:27 ::: 5.6.7.wp.4516.25.4576.4786.25.doc

2. By these Petitions under of the Constitution of India, the Petitioner challenges the validity of the Notices dated 30 th August 2024 issued under of the Income Tax Act, 1961 (for short "the ") for the three years, as well as the Notices dated 14 th July 2025 issued under of the I. T. Act and the orders on objections dated 3rd February 2026.

3. Brief facts of the case are that the Petitioner is a company engaged in the business of providing services as an investment manager to Nippon India Mutual Fund (earlier known as Reliance Mutual Fund) and provides portfolio management and advisory services to its clients. A search and seizure operation under of the I.T. Act was conducted on 3rd February 2021 in the case of Mr. Samir Modi and Ms. Shivani Modi, wherein residential premises of one Shri Sandeep Arora (alias Karan Arora), Managing Director of M/s. High Ground Enterprises Limited (HGEL), at B-907, Whispering Heights, Mind Space, Malad (West), Mumbai - 400 064 was covered. Based on the material allegedly seized from the premises of Shri Sandeep Arora on 6 th February 2021, Respondent No. 2, i.e., the Assessing Officer of the searched person, recorded a Page 2 of 12 APRIL 7, 2026 Aswale ::: Uploaded on - 15/04/2026 ::: Downloaded on - 17/04/2026 21:22:27 ::: 5.6.7.wp.4516.25.4576.4786.25.doc Satisfaction Note on 3rd July 2024, which was sent by email to the Assessing Officer of the Petitioner on the same day. Thereafter, the Petitioner's Assessing Officer recorded satisfaction on 29 th August 2024 and issued notices under of the I. T. Act to the Petitioner on 30 th August 2024 for all the three years.

4. Although various contentions have been raised in these Petitions, in our view, they can be disposed of on the ground as to whether the proceedings are barred by limitation due to the delay in recording the Satisfaction Note.

5. The contention raised by Mr. Sheth, the learned Counsel appearing for the Petitioner, was that the proceedings are barred by limitation. In this regard, he placed heavy reliance on the decision of the Hon'ble Supreme Court in [2014] 362 ITR 673 (SC)]. He submitted that the Hon'ble Supreme Court has categorically held that the Satisfaction Note must be recorded "immediately" after the completion of the assessment proceedings of the searched person. He pointed out that the search, which forms the basis of the present proceeding, was concluded in February 2021. Page 3 of 12 APRIL 7, 2026 Aswale ::: Uploaded on - 15/04/2026 ::: Downloaded on - 17/04/2026 21:22:27 ::: 5.6.7.wp.4516.25.4576.4786.25.doc The assessment on the searched persons, namely, Mr. Samir Modi and Ms. Shivani Modi, were concluded on 27 th September 2022 and 26 th September 2022 respectively. However, the Satisfaction Note by the Assessing Officer of the searched persons was recorded only on 3rd July 2024, i.e., after 21 months from the conclusion of the assessment of the searched persons. He further submitted that the Satisfaction Note of the Assessing Officer of the Petitioner i.e., Respondent No.1, is dated 29 th August 2024. He also relied upon the CBDT Circular No.24/2015 dated 31 st December 2015, which clarifies that though in (supra), the Hon'ble Supreme Court was considering the provisions of of the I. T. Act, the ratio laid down therein equally applied to proceedings under of the I. T. Act. The term "immediately" implies a sense of urgency and proximity in time and is often understood to be as soon as possible or without delay. Therefore, the Respondents are not correct when they say that the satisfaction has to be recorded within a "reasonable time". The Supreme Court has consciously used the term "immediately" and due meaning should be given to the said term.

10. The CBDT Circular No.24/2015 dated 31st December 2015 explicitly states that the ratio of the Hon'ble Supreme Court in (supra) applies to proceedings under of the I. T. Act. Therefore, the Assessing Officer of the searched persons was required to record satisfaction, at the latest, "immediately" after the completion of the assessment of the searched persons. In this regard, we find support in the decision of the Delhi High Court in Bharat Bhushan Jain (supra), where a delay of 10 months was held to be fatal. Similarly, the Gujarat High Court in Jitendra H. Modi HUF (supra) held that a period of 9 months could not be termed as "immediate". In Parag Rameshbhai Gathani Page 7 of 12 APRIL 7, 2026 Aswale ::: Uploaded on - 15/04/2026 ::: Downloaded on - 17/04/2026 21:22:27 ::: 5.6.7.wp.4516.25.4576.4786.25.doc V/S ITO [2025] 180 taxmann.com 662 (Gujarat)/ [2026] 308 taxman 47 (Gujarat)], a delay of 22 months was held to be inordinate. Even, this Court, in the case of (1)(1), Mumbai & Ors (Writ Petition No.4990 of 2025 dated 17 th February 2026), after relying upon the decisions of the Delhi High Court as well as the Gujarat High Court , held that a delay of 15 months in preparing the Satisfaction Note by the Assessing Officer of the searched person was inordinate and could not be termed as "immediately" after the Assessment Proceedings of the searched person was concluded. Hence, we are unable to agree with the Revenue's contention that the Assessing Officer of the Petitioner having acted immediately after receiving the Satisfaction Note from the Assessing Officer of the searched person, the proceedings are not barred by limitation. The time limit has to be computed from the date of the assessment order in the case of the searched persons. As far as the reliance placed by the Revenue on the judgment of the Punjab and Haryana High Court in the case of (supra) is concerned, we find that is of no assistance to the Revenue. Firstly, in , the delay of preparing the Satisfaction Note was of 9 months whereas in the facts of the present case Page 8 of 12 APRIL 7, 2026 Aswale ::: Uploaded on - 15/04/2026 ::: Downloaded on - 17/04/2026 21:22:27 ::: 5.6.7.wp.4516.25.4576.4786.25.doc the delay is of 21 months. The stand taken in the earlier affidavit, namely, that HGEL was the searched person has been withdrawn. Therefore, we do not have to delve further into this aspect. However, we feel that care must be taken while filing affidavits, and statements on oath should not be made lightly or irresponsibly. In view of the unconditional apology tendered by the deponent in the fresh affidavit, we say no more on this aspect.

13. In view of the above, the impugned notices and the consequential proceedings cannot be sustained. The Writ Petitions are accordingly allowed and the impugned notices under Section 153C and the consequential notices and orders impugned herein are quashed.

14. Since we have allowed the Petitions on the aforesaid issue, we leave open the other contentions raised in the Petitions to be considered later, if the need so arises.

15. Rule is made absolute in the aforesaid terms, and the Writ Petitions are also disposed of in terms thereof. However, there shall be no order as to costs.

16. This order will be digitally signed by the Private Secretary/ Personal Assistant of this Court. All concerned will act on production by fax or email of a digitally signed copy of this order. [FIRDOSH P. POONIWALLA, J.] [B. P. COLABAWALLA, J.]