

ITEM NO.12

COURT NO.4

SECTION IIIA

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

PETITION(S) FOR SPECIAL LEAVE TO APPEAL (C) NO(S). 30282/2015  
(ARISING OUT OF IMPUGNED FINAL JUDGMENT AND ORDER DATED 04/08/2014  
IN SCA. NO. 9395/2004 PASSED BY THE HIGH COURT OF GUJARAT AT  
AHMEDABAD)

GUNJAN GIRISHBHAI MEHTA

LEGAL HEIRS OF GIRISHBHAI K. MEHTA

PETITIONER(S)

VERSUS

DIRECTOR OF INVESTIGATION &amp; ORS.

RESPONDENT(S)

(WITH APPLN. (S) FOR C/DELAY IN FILING SLP AND INTERIM RELIEF AND  
OFFICE REPORT)

Date : 21/03/2017 This petition was called on for hearing today.

CORAM : HON'BLE MR. JUSTICE RANJAN GOGOI  
HON'BLE MR. JUSTICE NAVIN SINHA

For Petitioner(s)

Mr. Inder Paul Bansal, Adv.  
Mr. Vivek Bansal, Adv.  
Ms. Saroj Raichura, Adv.  
Mr. Kalp Raichura, Adv.  
Mr. Haresh Raichura, Adv.

For Respondent(s)

Mr. K. Radhakrishnan, Sr. Adv.  
Mr. D.L. Chidanand, Adv.  
Ms. Sadhna Sandhu, Adv.  
Mr. Amol Chitale, Adv.  
Mr. Debashish Bharukha, Adv.  
Mrs. Anil Katiyar, Adv.

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

The Special Leave Petition is dismissed in terms of  
the signed order.

[VINOD LAKHINA]  
COURT MASTER

[ASHA SONI]  
COURT MASTER

[SIGNED ORDER IS PLACED ON THE FILE]

IN THE SUPREME COURT OF INDIA  
CIVIL APPELLATE JURISDICTION  
SPECIAL LEAVE PETITION (CIVIL)  
NO.30282/2015

GUNJAN GIRISHBHAI MEHTA  
LEGAL HEIRS OF  
GIRISHBHAI K. MEHTA . . .PETITIONER

VERSUS

DIRECTOR OF INVESTIGATION  
& ORS. . .RESPONDENTS

ORDER

1. Heard the learned counsels for the parties and perused the relevant material.
2. Delay condoned.
3. Notice under Section 132 of the Income Tax Act, 1961 (for short "the Act") was issued in the name of a dead person. The said notice was duly received by the present petitioner as the legal heir of the dead person. Notice of assessment under Section 158BC of the Act was issued and in

the assessment proceedings, where the income was declared to be 'nil', the present petitioner as the legal heir had participated. Thereafter, notice under Section 158BD of the Act was issued to the present petitioner on the basis of information coming to light in the course of search. Aggrieved, the petitioner moved the High Court and on dismissal of the writ petition filed, the present Special Leave Petition has been instituted.

4. The point urged before us, shortly put, is that if the original search warrant is invalid the consequential action under Section 158BD would also be invalid. We do not agree. The issue of invalidity of the search warrant was not raised at any point of time prior to the notice under Section 158BD. In fact, the petitioner had participated in the proceedings of assessment initiated under Section 158BC of

the Act. The information discovered in the course of the search, if capable of generating the satisfaction for issuing a notice under Section 158BD, cannot altogether become irrelevant for further action under Section 158BD of the Act.

5. The reliance placed on the decision of the High Court of Punjab and Haryana in Commissioner of Income -tax, Karnal vs. Rakesh Kumar, Mukesh Kumar [(2009) 178 Taxman 224 (Punjab & Haryana) = 313 ITR 305 (Punjab & Haryana)] against which Special Leave Petition [SLP(C) NO...CC 3623/2009] has been dismissed by this Court and the decision of this Court in Assistant Commissioner of Income-tax, Chennai vs. A.R. Enterprises [(2013) 29 Taxmann.com 50 (SC) = 350 ITR 489 (SC)] are on entirely different facts.

6. In Rakesh Kumar, Mukesh Kumar (supra) the challenge was to the proceedings of assessment under Section 158 BC of the Act on the basis of a search warrant issued in the name of a dead person. The issue in A.R. Enterprises (supra) has no similarity to the issue in hand, namely, the validity of the proceedings under Section 158BD of the Act.

7. For the aforesaid reasons, we find no merit in this Special Leave Petition. The same is accordingly dismissed.

.....,J.  
(RANJAN GOGOI)

.....,J.  
(NAVIN SINHA)

NEW DELHI  
MARCH 21, 2017