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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **ITA 132/2025**
PR. COMMISSIONER OF INCOME TAX -7

.....Appellant

Through: Mr Ruchir Bhatia, SSC, Mr Anant Mann, JSC Ms Aditi Sabharwal and Mr Abhishek Anand, Advocates.

versus

RAJA ARORA

.....Respondent

Through: Mr Rajiv Saxena, Ms Sumangla Saxena, Mr Shyam Sundar and Mr Dishant Sethi, Advocates.

CORAM:

HON'BLE MR. JUSTICE VIBHU BAKHRU

HON'BLE MR. JUSTICE TEJAS KARIA

ORDER

% **06.05.2025**

CM APPL. 27318/2025(condonation of delay in filing)

1. For the reasons stated in the application, the delay in filing the above captioned appeal stands condoned.
2. The application stands disposed of.

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3. The Revenue has filed the present appeal under Section 260A of the Income Tax Act, 1961 [**the Act**] impugning an order dated 24.10.2024 [**impugned order**] passed by the learned Income Tax Appellate Tribunal [**ITAT**], *inter alia*, for setting aside the assessment order on the ground that the Assessee's income was selected for scrutiny as per the instructions issued by the Central Board of Direct Taxes [instruction no.5/2017 dated 07.07.2017].
4. Mr Bhatia, the learned counsel appearing for the Revenue submits



that the impugned order is patently erroneous as the Assessee's case was a search case and, therefore, in terms of paragraph no.1(iii) of the instructions, the Assessee's return was selected for scrutiny. He also refers to the assessment order, which specifically refers that the search and seizure operation was conducted in the premises of the Assessee comprising of Airwil group of cases.

5. The learned counsel for the respondent submits that no search was conducted in the case of the Assessee and therefore, paragraph no.1(iii) of the instructions will not apply in the present case. He also submits that another notice dated 29.09.2017 was issued by the Deputy Commissioner of Income Tax [DCIT], which fairly states that the Assessee's income had been selected for scrutiny on the basis of paragraph no.1(vi) of the Manual Compulsory Scrutiny Guidelines for CBDT.

6. Mr Bhatia seeks time to take instructions in this regard.

7. At his request, list on 14.05.2025. Since, some arguments have been heard it is clarified that an endeavour would be made on the next date of hearing to hear the appeal on the questions of law as projected by the Revenue.

VIBHU BAKHRU, J

TEJAS KARIA, J

MAY 06, 2025

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[Click here to check corrigendum, if any](#)