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

+ W.P.(C) 1664/2016

RRPR HOLDINGS PRIVATE LIMITEDPetitioner

Through: Mr. Sachit Jolly, Mr. Rishabh Malhotra, Ms. Disha Jham, Ms. Soumya Singh, Mr. Devansh Jain, Advs.

versus

DEPUTY COMMISSIONER OF INCOME TAX, CIRCLE-18(1)Respondent

Through: Mr. N.P. Sahni, Spl. Counsel with Mr. Indruj Singh, SSC with Mr. Sanjeev Menon, Mr Rahul Singh, Mr.Anmol Jagga, Advs.

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+ W.P.(C) 10063/2017

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THE DEPUTY COMMISSIONER OF INCOME TAX, CIRCLE-18(1), NEW DELHI & ANR.Respondents

Through: Mr. N.P. Sahni, Spl. Counsel with Mr. Indruj Singh, SSC with Mr. Sanjeev Menon, Mr



Rahul Singh, Mr.Anmol Jagga,
Advs.

CORAM:
HON'BLE MR. JUSTICE YASHWANT VARMA
HON'BLE MR. JUSTICE RAVINDER DUDEJA

ORDER

10.09.2024

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W.P.(C) 1664/2016

1. This writ petition has been preferred seeking the following reliefs:

“a. Issue a writ in the nature of Certiorari or an order, quashing the impugned notice u/s 148 of the Act dated 23.03.2015 and the impugned letter/order dated 29.01.2016, disposing of the objections to the initiation of the reassessment proceedings of the respondent;

b. Issue a writ in the nature of Certiorari or an order quashing the reassessment proceedings initiated by the respondent in pursuance to the impugned notice dated 23.03.2015 u/s 148 of the Act, for the assessment year 2010-11;

c. Issue a writ in the nature of mandamus or an order prohibiting the respondent to frame reassessment under the relevant provisions of the Act;

d. Issue a writ in the nature of Mandamus prohibiting the respondent from making fishing and roving inquiries;

e. Pass any other order(s) as this Hon'ble Court may deem to be fit and more appropriate in order to grant interim relief to the petitioner;”

2. The challenge is to the initiation of reassessment action for Assessment Year [“AY”] 2010-11. As we go through the reasons which were recorded in support of the proposed action for reassessment, we find that the principal allegations are the following.

3. It is conceded before us that the petitioner, M/s RRPR Holdings Private Limited [“RRPR”], was incorporated in 2005 with its equity being held by Ms. Radhika Roy and Mr. Prannoy Roy in the



percentage of 50% each.

4. It is further alleged that RRPR acquired shares comprising of 7.5% of the shareholding of New Delhi Television Limited [“NDTV”] for a price set out and noticed in paragraph 1 of the letter dated 06 October 2015. The transaction with Vishwa Pradhan Commercial Pvt. Ltd. [“VPCPL”] rested on a loan agreement dated 21 July 2009.

5. It is the admitted case of parties that the aforesaid loan proceeds were utilized by RRPR to retire certain outstanding loans which were owed to ICICI Bank. The AO, however, in paragraph 7 observes that the terms of the loan agreement would indicate that the loan received was in fact consideration for the transfer of 26% of shares of NDTV.

6. This clearly appears to be factually incorrect since the shares which were purchased from the promoters by RRPR are detailed in paragraph 2. Before us it is further conceded that those shares continue to be held by RRPR in its own name and were never transferred to VPCPL.

7. In view of the aforesaid, and since the very foundation of the impugned action for reassessment is found to be factually wrong, we find ourselves unable to sustain the impugned notice dated 23 March 2015 under Section 148 of the Income Tax Act, 1961.

8. We accordingly allow this writ petition and quash the impugned notice dated 23 March 2015.

W.P.(C) 10063/2017

In light of the order passed by us in W.P.(C) 1664/2016, it is conceded by the respondents that the protective order which stands impugned in the instant writ petition would no longer sustain. Accordingly, we allow the present writ petition and set aside the



impugned order of 25 October 2017.

YASHWANT VARMA, J

RAVINDER DUDEJA, J

SEPTEMBER 10, 2024/ib