IN THE INCOME TAX APPELLATE TRIBUNAL
"C" BENCH : BANGALORE

BEFORE SHRI GEORGE GEORGE K., JUDICIAL MEMBER
AND
Ms. PADMAVATHY S, ACCOUNTANT MEMBER

IT(IT)A Nos.1511 & 1512/Bang/2013
Assessment years : 2007-08 & 2008-09

Google India Pvt. Ltd., No.3, RMZ Infinity Tower-E, 4th Floor, Old Madras Rod, Bangalore – 560 016. **PAN: AACCG 0527D**	Vs.	The Deputy Commissioner of Income Tax [International Taxation], Bangalore.
APPELLANT		RESPONDENT

Appellant by	:	Shri Percy Pardiwala, Sr. Advocate, Shri Anmol Anand & Ms. Priya Tandon, Advocates & Shri Vinay Mangla, CA
Respondent by	:	Shri K V Aravind, Standing Counsel.

Date of hearing	:	03.08.2022
Date of Pronouncement	:	10.08.2022

O R D E R

Per Padmavathy S., Accountant Member

These appeals of the assessee were initially disposed of by the common order of the Tribunal dated 23.10.2017 for AYs 2007-08 to 2012-13 in ITA Nos.1511 to 1516/Bang/2013 dismissing all the appeals. On further appeal by the assessee, the Hon'ble High Court of Karnataka vide its judgment dated 17.04.2021 in ITA No. 502/2018

and connected appeals has remanded all the appeals including the connected appeals to the Tribunal for fresh adjudication.

2. The relevant observations of the Hon'ble High Court insofar as the appeals of the assessee for AYs 2007-08 & 2008-09 are as follows:-

> "19. In the considered opinion of this Court, keeping in view Rule 29 of the income Tax (Appellate Tribunal) Rules, 1963 and also keeping in view the fact that the material on the basis of which the order has been passed was not furnished to the appellant at any point time, the order passed by the Tribunal is certainly violative of principles of natural justice and fair play as the appellant was not afforded an opportunity to rebut fresh evidence especially when such evidence was based on Google study.
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> 20. Another important aspect of the case is that details of the material has also not been reflected in the order passed by the Tribunal and therefore, this Court is of the opinion that as there is a violation of principles of natural justice and fair play, the matter deserves to be remanded back to the Tribunal for hearing it afresh in accordance with law.
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> 21. In light of the aforesaid, the questions are answered in favour of the assessee and against the revenue and the other questions are left open. Accordingly, the appeal in **ITA.No.879/2017** is allowed. The order passed by the Tribunal is set aside. The matter is remanded back to the Tribunal for fresh adjudication in accordance with law.
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> 22. The parties will appear before the Tribunal on 3.5.2021 and within a period of 15 days the appellant shall be free to file the documents/additional documents in support of his contentions and the revenue shall also be free to file documents/additional submissions in support of their contentions. In case any other material is being relied upon by the Tribunal, the same shall also be made available to the assessee/appellant as well as to the counsel for revenue before passing a final order. The Tribunal is

> requested to make all possible endeavour to decide the matter at an earlier date.
>
> 23. In light of the order passed in ITA.No.879/2017, the connected appeals i.e., **ITA.Nos.882/2017**, 883/2017, 897/2017, 898/2017 and 899/2017 are also allowed and the order passed by the Tribunal is set aside and all the matters are remanded back to the Tribunal to decide the appeals afresh in accordance with law."
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> (emphasis supplied)

3. Accordingly these appeals relating to assessment years 2007-08 & 2008-09 were taken up for hearing before the Tribunal in the second round. These appeals by the assessee arise out of the common order of the CIT(Appeals)-IV, Bangalore dated 29.9.2013 for AYs 2006-07 to 2012-13, the relevant AYs under consideration now before us being AYs 2007-08 & 2008-09 only.

4. The brief facts are that the assessee is a wholly owned subsidiary of Google International LLC, US. It is engaged in the business of providing Information Technology (IT) and Information Technology enabled Services [ITeS] to its group companies. The assessee has entered into Google Adword Program Distribution Agreement dated 12.12.2005 with Google Ireland Ltd. ['GIL' for short]. As per the agreement, the assessee is appointed as a non-exclusive authorized distributor of Adword Programs to the advertisers in India. As per the agreement, the assessee is liable to pay distribution fees to GIL as follows:-

AY	Amount in Rs.
2007-08	42,57,53,347
2008-09	1,19,82,61,982

5. The aforesaid payment was made without deduction of tax at source. According to the assessee, it was mere reseller of the advertising space made available under the Adword Program distribution agreement and the assessee is distributor of advertising space with no access or control over the infrastructure or the process that is involved in rendering the Adword Program. Therefore, the sums so paid were not chargeable to tax under the relevant Double Taxation Avoidance Agreement [DTAA]. Accordingly, there was no deduction of tax on such payments in the absence of primary charge of tax. The AO issued notice u/s. 201(1) of the Income-tax Act, 1961 [the Act] to the assessee to show cause why the distribution fees payable to GIL should not be regarded as 'royalty' under the Act and consequently proceeded for withholding of tax deduction at source u/s. 195 of the Act. In response, the assessee provided the requisite details and also made submissions in this regard. However, the AO proceeded to pass an order dated 22.2.2013 u/s. 201(1) & 201(1A) of the Act. In the order, the AO held the assessee to be in default for non-deduction of tax at source u/s. 195 of the Act and raised a demand as under:-

FY	Total amounts payable to Google Ireland	Liability u/s. 201	Interest u/s. 201(1A)	Total payable
2006-07	42,57,53,347	4,25,75,33	3,14,72,518	7,40,47,853
2007-08	119,82,61,982	11,98,26,198	7,51,93,499	19,50,19,697

6. Aggrieved, the assessee preferred appeals before the CIT(Appeals) and besides contentions on merits, the assessee raised a contention with regard to the impugned orders being barred by limitation in regard to AYs 2007-08 & 2008-09. The CIT(Appeals)

passed a common order dated 20.9.2013 for AYs 2006-07 to 2012-13 without considering the specific issue raised on limitation by the assessee for the AYs 2007-08 to 2008-09.

7. In the first round of appeal before the ITAT, the issues on merits for all the assessment years as well as the preliminary issue on limitation period relating to AYs 2007-08 to 2008-09 also was raised. However, the Tribunal dismissed the appeals on merits, without considering the preliminary issue of period of limitation for AYs 2007-08 to 2008-09. On further appeal, as stated earlier, the Hon'ble High Court of Karnataka has remanded all the appeals relating to AYs 2006-07 to 2012-13 including the other connected appeals to the Tribunal for *de novo* consideration.

8. During the course of hearing of these two appeals for AYs 2007-08 & 2008-09, the parties firstly addressed arguments on the preliminary issue, whether the orders u/s. 201(1) & 201(1A) of the Act are barred by limitation. It is reiterated here that the impugned order of the CIT(Appeals) dated 20.9.2013 was a common order for all the AYs 2006-07 to 2012-13, whereas the two appeals now for consideration before us are limited to AYs 2007-08 & 2008-09 only wherein the preliminary ground on the limitation period is raised. Accordingly, the arguments and conclusions in this order are restricted only to AYs 2007-08 & 2008-09 and will have no relevance or bearing on the other aspects of the case relating to other assessment years concerning this assessee, which are to be considered separately and

independently. With these remarks, we proceed to decide the question of limitation of the impugned order insofar as it relates to AYs 2007-08 and 2008-09 only.

9. On the preliminary issue of limitation, the ld. AR drew our attention to para 2.1 of the assessment order where it is mentioned that the proceedings u/s. 201(1) were initiated by issuing notice on 20.11.2012 asking the assessee to show cause why it should be treated as an assessee in default in respect of tax not deduced at source on the sums payable to GIL. He submitted that the notice issued for AYs 2007-08 & 2008-09 was beyond the time limit specified in sub-section (3) of section 201 i.e., beyond 4 years from the end of the financial year in which payment is made or credit is given. Therefore, the assessments are barred by limitation and liable to be quashed. In this regard, he placed reliance on the decision of the coordinate Bench of the Tribunal in the case of *Mphasis Ltd. v. DDIT (IT), [2022] 136 taxmann.com 160 (Bang. Trib).*

10. The ld. DR argued that the aforesaid decision of the Tribunal has not reached finality and therefore cannot be relied upon. He further submitted that there are time limits prescribed under sub-section (3) of section 201 with respect to orders u/s. 201(1), however, there is no time limit for passing orders u/s. 201(1A) of the Act. The ld DR submitted that the Supreme Court in the case of *CIT v. Eli Lily & Co. (India) (P.) Ltd., [2009] 312 ITR 225 (SC)* has held that the interest u/s. 201(1A) is compensatory in nature and therefore submitted that for

a demand which is compensatory in nature there cannot be any limitation of time on a reasonable basis. Further the ld DR submitted that issue of interest payable u/s.201(1A) being compensatory in the judgment of the Hon'ble Supreme Court is not discussed in the case decided by the Tribunal in the case of *Mphasis Ltd. (supra)*. The ld. DR therefore submitted that the order insofar as it relates to interest u/s. 201(1A) of the Act should survive.

11. In rebuttal, the ld. AR submitted that though there is no time limit prescribed for passing order u/s. 201(1A) of the Act, the order should be passed within a reasonable time, as has been held in the case of *Mphasis Ltd. (supra)*. The ld. AR further drew our attention to para 3.4 of the Supreme Court decision in *Eli Lily & Co. (India) (P.) Ltd. (supra)* wherein it was held as follows:-

> "…….. For computation of interest under section 201(1A), there are three elements. One is the quantum on which interest has to be levied. Second is the rate at which interest has to be charged. Third is the period for which interest has to be charged. The rate of interest is provided in the 1961 Act. The quantum on which interest has to be paid is indicated by section 201(1A) itself. Sub-section (1A) specifies "on the amount of such tax" which is mentioned in sub-section (1) wherein, it is the amount of tax in respect of which the assessee has been declared in default. ……."

12. The ld. AR submitted that from the above, it is clear that when the assessee is not an assessee in default, interest u/s. 201(1A) would become infructuous. In the instant case, as the order passed u/s. 201(1) is barred by limitation thereby making it *void ab initio* and infructuous.

Therefore levy of interest u/s.201(1A) on the same would also become infructuous.

13. We have considered the rival submissions and perused the material on record. We notice that show cause notice to initiate proceedings u/s. 201(1) is issued on 20.11.2012 which is beyond four years with respect to assessment years 2007-08 & 2008-09. Further, the coordinate Bench of this Tribunal in the case of *Mphasis Ltd. (supra)* has considered similar issue and held as follows:-

> "11. We have carefully considered the rival submissions. Section 201(1) & 201(1A) of the Act provides as follows :
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> > "201. Consequences of failure to deduct or pay.—(1) Where any person, including the principal officer of a company,—
> >
> > (a) who is required to deduct any sum in accordance with the provisions of this Act; or
> >
> > (b) referred to in sub-section (1A) of section 192, being an employer,
> >
> > does not deduct, or does not pay, or after so deducting fails to pay, the whole or any part of the tax, as required by or under this Act, then, such person, shall, without prejudice to any other consequences which he may incur, be deemed to be an assessee in default in respect of such tax:
> >
> > ....."
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> 12. Prior to the decision of the Special Bench of ITAT Mumbai in the case of Mahindra & Mahindra Ltd. v. Dy. CIT [2009] 30 SOT 374 there was no period of limitation prescribed for passing order u/s.201(1) & 201(1A) of the Act. In the said decision it was held that though section 201(1) does not impose any time limit for the initiation of proceedings or the passing of an order, a reasonable time limit would have to be read in as otherwise the authorities would have an indefinite period to take action and the sword of uncertainty

would hang forever over an assessee. It was further held that a 'reasonable period' would have to be determined bearing in mind the fact that an order u/s. 201 is to be treated as akin to an assessment order and that it is dependent on the outcome of the assessment of the payee. Accordingly, the maximum time limit for initiating and completing proceedings u/s. 201(1) has to be on par with the time limit for initiating and completing reassessment proceedings u/s. 147; Accordingly, following the time limits imposed by s. 149, s. 201 proceedings should be initiated within six years from the end of the relevant assessment year if the income by virtue of sums paid without deduction of tax at source by the payer chargeable to tax in the hands of the payee is equal to or more than one lakh rupees. If such amount is less than Rs. 1 lakh then the proceedings must be initiated within four years from the end of the relevant assessment year. By the same logic the proceedings u/s. 201(1) must be completed by passing an order within one year from the end of the financial year in which proceedings u/s. 201(1) were initiated. These time limits apply to s. 201(1A) as well;

13. The Hon'ble Delhi High Court in NHK Japan Boardcasting Corpn. (supra) while laying down law similar to the one laid down by the Special Bench ITAT in the case of Mahindra & Mahindra (supra) held that the period of four years was a reasonable period.

14. The Parliament laid down period of limitation for passing orders u/s.201 of the Act for the first time in the Finance Act, 2009. The following sub-section (3) was inserted after sub-section (2) of section 201 by the Finance (No. 2) Act, 2009, w.e.f. 1-4-2010 :

> "(3) No order shall be made under sub-section (1) deeming a person to be an assessee in default for failure to deduct the whole or any part of the tax from a person resident in India, at any time after the expiry of—
>
> (i) two years from the end of the financial year in which the statement is filed in a case where the statement referred to in section 200 has been filed;
>
> (ii) four years from the end of the financial year in which payment is made or credit is given, in any other case :

Provided that such order for a financial year commencing on or before the 1st day of April, 2007 may be passed at any time on or before the 31st day of March, 2011."

15. CIRCULAR NO. 05/2010 F.No.142/13/2010-SO (TPL) Government of India, Ministry of Finance, Department of Revenue (Central Board of Direct Taxes) Dated, the 3rd June, 2010 gave explanatory notes to the provisions of the Finance (No.2) Act, 2009, and the relevant paragraphs with regard to the aforesaid amendment read as follows :

'50. Providing time limits for passing of orders u/s. 201(1) holding a person to be an assessee in default

50.1 Currently, the Income Tax Act does not provide for any limitation of time for passing an order u/s. 201(1) holding a person to be an assessee in default. In the absence of such a time limit, disputes arise when these proceedings are taken up or completed after substantial time has elapsed. In order to bring certainty on this issue, specific time limits is provided in the Act within which order u/s. 201(1) will be passed.

50.2 It has been provided that an order u/s. 201(1) for failure to deduct the whole or any part of the tax as required under this Act, if the deductee is a resident taxpayer, shall be passed within two years from the end of the financial year in which the statement of tax deduction at source is filed by the deductor. Where no such statement is filed, such order can be passed up till four years from the end of the financial year in which the payment is made or credit is given. To provide sufficient time for pending cases, it is provided that such proceedings for a financial year beginning from 1st April, 2007 and earlier years can be completed by the 31st March, 2011.

50.3 However, no time-limits have been prescribed for order under sub-section (1) of section 201 where :—

(a) the deductor has deducted but not deposited the tax deducted at source, as this would be a case of defalcation of government dues, (b) the employer has failed to pay the tax wholly or partly, under sub-section (1A) of section 192, as the employee would not have paid tax on such perquisites, (c) the deductee is a non-

resident as it may not be administratively possible to recover the tax from the non-resident.

50.4 Applicability - This amendment has been made applicable with effect from 1st April, 2010 and will accordingly apply in relation to assessment year 2011-12 and subsequent assessment years.'

16. By the Finance Act (No.2) of 2012, the provisions of sec.201(3) were amended to provide that "in sub-section (3), in clause (ii), for the words "four years", the words "six years" shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2010";

17. Sub-section (3) quoted above was substituted by the Finance (No. 2) Act, 2014, w.e.f. 1-10-2014, as under :

"(3) No order shall be made under sub-section (1) deeming a person to be an assessee in default for failure to deduct the whole or any part of the tax from a person resident in India, at any time after the expiry of seven years from the end of the financial year in which payment is made or credit is given."

18. The alleged failure on the part of the assessee in the present appeal to deduct tax at source under section 195 of the Act, relates to payment made to non-resident companies, in the financial years 2005-06 to 2007-08 relevant to the assessment years 2006-07 to 2008-09. The provision contained under section 201 of the Act which was applicable to assessment years 2006-07 to 2008-09 did not prescribe any period of limitation either for initiation or for completion of proceedings under the said provision. The limitation period was prescribed under section 201 of the Act by insertion of sub-section (3) for the first time by Finance Act, 2009 w.e.f. 1st April 2010, prescribed periods of limitation but those provisions were applicable only when payments are made to "resident in India". In respect of payments made to non-residents, as in the present case of the appellants in this appeal, no period of limitation is laid down in the Act.

19. In such circumstances, there are two ways of addressing the issue of limitation when payments are made to non-residents for passing order u/s.201(1) & 201(1A) of the Act.

20. Firstly, it can be held that as held in judicial precedents, absence of limitation period to pass an order u/s.201(1) of the Act where the payee is a non-resident, will not empower the Assessing Officer to pass an order under section 201 of the Act at any time at his sweet will. The Hon'ble Courts have held that, even, in the absence of limitation period prescribed under a particular provision, the order has to be passed within a reasonable period. In the context of section 201 of the Act itself, the Hon'ble Delhi High court in NHK Japan Broadcasting Corpn. (supra) approving the decision of the Tribunal has held that a period of four years would be reasonable period of time for initiation of proceeding under section 201 of the Act. The aforesaid decision of the Hon'ble Delhi High Court has been approved and followed in subsequent decisions of the Hon'ble Delhi High Court in case of Vodafone Essar Mobile Services Ltd. v. Union of India [2016] 67 taxmann.com 124/238 Taxman 625/385 ITR 436 and in CIT v. C.J. International Hotels (P.) Ltd. [2015] 56 taxmann.com 458/231 Taxman 818/372 ITR 684. The Hon'ble Tech Mahindra Ltd. Jurisdictional High Court in DIT (International Taxation) v. Mahindra & Mahindra Ltd. [2014] 48 taxmann.com 150/225 Taxman 306/365 ITR 560 (Bom.) also followed the decision in NHK Japan Broadcasting Corprn. (supra). The Hon'ble Karnataka High Court in the case of Bharat Hotels Ltd. (supra) also took the view that period of limitation prior to the insertion of sec. 201(3) of the Act, w.e.f. 1-4-2010 would be 4 years from the end of the relevant AY. The payees in these cases were also non-resident. The amendment to sec. 201(3) of the Act by the Finance Act, 2009, Finance Act, 2012 and Finance Act, 2014 does not deal with the payments to non-resident and therefore the lay as down in the aforesaid judicial precedents still continue to apply to cases where the payee is a non-resident and therefore in view of the legal principal laid down in the decisions referred to above, the impugned order passed under section 201(1)/201(1A) of the Act is clearly barred by limitation as the order impugned has been passed on 29-7-2013 much after the expiry of period of limitation of 4 years from the end of the relevant AY.

21. Secondly, if one were to presume on the basis (as was canvassed by the learned standing counsel) that since the legislature has not prescribed a time limit for passing orders u/s.201(1) of the Act when the payee is a non-resident, the legislature wants to maintain the position that when the payee is a nonresident, there is no period of

limitation, even then as rightly pointed out by the learned counsel for the Assessee, the Hon'ble Delhi High Court in case of Bharti Airtel Ltd. (supra) has held that the said limitation period even in respect of non-residents can be read into the provision of sec.201(3) of the Act. The following were the relevant observations of the Court :

> '12. When NHK Japan (supra) and Hutchinson (supra) were decided, the amendment was not brought about and therefore the issue of existence of a period of limitation, did not arise. The court therefore, considered, on the basis of available authority, that a four year period was "reasonable period" as the outer limit for issuance of notice under section 201. However, in the present case, Parliament consciously amended the Act. In doing so, it prescribed a limitation only for residents. Instead of actively barring the applicability of the provision on non-residents, did the Parliament choose to passively do so by remaining silent on non-residents and only amending the provision, for residents. The question is, whether the petitioner is right in contending that if the Act does not specify a time period, then a reasonable time period should be read into the Act. This contention is based on judgments which were delivered when the Legislature had not made a distinction between residents and non-residents. The question is when such a distinction exists, can one read a "reasonable time period" into the Act.
>
> 13. The amendment ipso facto is undoubtedly silent about the application of periods of limitation to amounts deducted and payments made to non-residents. It is quite possible to argue that the demarcation and distinction between payments made to residents and non-residents through the amendment, can mean that where no period of limitation for sections 200 and 201 has been prescribed, one cannot be read into the Act. However, the legislative history here becomes instructive; in that context extrinsic material, in the form of statements of objects and reasons, become relevant. At all material times, payments made to residents and non-residents were treated alike. The revenue does not state what necessitated the distinction, made through the amendment for the first time. The only clue to be found to this silence is in that part of the circular quoted above, which states that limitation period for non-resident's payment is unfeasible "as it may not be administratively possible to recover the tax from

the non-resident." However, that is not the reasoning given in the statement of objects and reasons.

14. It was argued that the basis and/or reasoning of not applying the limitation in respect of deduction from non-residents on grounds of administrative convenience is arbitrary, discriminatory and violative of articles 14 and 265 of the Constitution. They have submitted that the basis of 'administrative convenience' in respect of TDS provisions had already been rejected by the Supreme Court in the case of GE India Technology Centre v. CIT 2010 (10) SCC 29. Taking their argument forward, the Petitioner submitted that the provision lacked any intelligible differentia, with no basis in law to provide for period of limitation in the case of payments made to residents and for not providing a similar period of limitation in case of payments made to non-residents. The revenue's contention is that when Parliament consciously provided no period of limitation, even whilst doing so for domestic taxpayers, this court should not in effect, legislate a period of limitation.

15. This court is of opinion that the latest judgment, in Vodafone Essar Mobiles Ltd. (supra) provides a complete answer to the revenue's contentions. The Court had then ruled as follows :

> 9. More recently in CIT v. Calcutta Knitwears [2014] 362 ITR 673, the Supreme Court had the occasion to deal with the correct, position in law as to the initiation of Income-tax proceedings. Although, the context of the dispute was in respect of recording of a satisfaction note as to the initiation of proceedings against third parties under the erst while section 158BD of the Act which did not prescribe the period of limitation and left it to the discretion of the Assessing Officer to decide on being satisfied that such proceedings were required to be initiated, the court limited such discretion in the following terms (page 691 of 362 ITR) :
>
> '44. In the result, we hold that for the purpose of section 158BD of the Act a satisfaction note is sine qua non and must be prepared by the Assessing Officer before he transmits the records to the other Assessing Officer who has jurisdiction over such other person. The satisfaction note could be prepared at either of the following stages : (a) at

the time of or along with the initiation of proceedings against the searched person under section 158BC of the Act ; (b) along with the assessment proceedings under section 158BC of the Act; and (c) immediately after the assessment proceedings are completed under section 158BC of the Act of the searched person.'

10. An added reason why the submission of the Revenue is unacceptable is that had Parliament indeed intended to overrule or set aside the reasoning in NHK Japan (supra), it would have, like other instances and more specifically in the case of section 201(1A), brought in a retrospective amendment, nullifying the precedent itself. That it chose to bring section 201(3) in the first instance in 2010 and later in 2014 fortifies the reasoning of the court. Accordingly, the issue is answered against the Revenue."

17. It appears to the court that the above decision settles the question whether to declare an assessee to be an assessee in default under section 201 of the Act could be initiated for a period earlier than four years prior to March 31, 2011.'

22. A natural corollary to the aforesaid reasoning is that even when the payee is a non-resident, the proviso to sec.201(3) of the Act prescribing a period of limitation for passing order u/s.201(1) of the Act for a financial year commencing on or before the 1st day of April, 2007, at any time on or before the 31st day of March, 2011, would apply and the impugned orders passed beyond the aforesaid date would have to be declared as barred by time and hence invalid.

23. The Hon'ble Gujarat High Court in Tata Teleservices Ltd. (supra) have held that in respect of financial year 2007- 08 and earlier years, only proceedings that were pending could be completed by 31st March 2011 and as such no fresh proceedings can be commenced, for the period prior to financial year 2007-08. Undisputedly, in the facts of the present case, no proceedings under section 201 of the Act were pending before the Assessing Officer as on 1-4-2010. By the time the proceedings under section 201 of the Act were initiated by issuing notice under section 201 on 5-2-2013, it has already become barred by limitation. That being the case, looked at from any angle, the impugned order passed under section 201(1) and 201(1 A) of the

> Act being barred by limitation has to be quashed. Accordingly, we do so.
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> 24. In view of our decision on the ground of limitation, the other grounds raised on merits have become redundant, hence, do not require adjudication and are left open."

14. In the facts of the case for the years under consideration, the period of four years from the end of the financial year in which payment is made or credit is given, expires on 31.03.2012 whereas the notice is issued by the AO on 20.11.2012. Therefore respectfully following the decision of the coordinate Bench of the Tribunal (supra), we hold that the orders of the AO passed u/s. 201(1) & 201(1A) of the Act are barred by limitation and hence quashed.

15. In view of our decision on the preliminary issue of limitation, the other grounds on merits are rendered infructuous and hence do not require separate adjudication.

16. In the result, the appeals by the assessee are allowed.

Pronounced in the open court on this 10th day of August, 2022.

Sd/-	Sd/-
(GEORGE GEORGE K.)	(PADMAVATHY S.)
JUDICIAL MEMBER	ACCOUNTANT MEMBER

Bangalore,
Dated, the 10th August, 2022.

/*Desai S Murthy* /

Copy to:

1. Appellant 2. Respondent 3. CIT 4. CIT(A)
5. DR, ITAT, Bangalore.

By order

Assistant Registrar
ITAT, Bangalore.