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account or other documents or assets by the Authorised Officer.

Sec 153B(3) - The provisions of this section, as they stood immediately before the commencement of the Finance Act, 2016, shall apply to and in relation to any order of assessment or reassessment made before the 1st day of June, 2016:

Provided that where a notice u/s 153A / 153C has been issued prior to the 1st day of June, 2016 and the assessment has not been completed by such date due to exclusion of time referred to in the Explanation, such assessment shall be completed in accordance with the provisions of this section as it stood immediately before its substitution by the Finance Act, 2016.

Explanation - In computing the period of limitation under this section—

- i) the period during which the assessment proceeding is stayed by an order or injunction of any court; or
- ii) the period commencing from the date on which the AO directs the assessee to get his accounts audited u/s 142(2A) and—
 - (a) ending with the last date on which the assessee is required to furnish a report of such audit under that sub-section; or
 - (b) where such direction is challenged before a court, ending with the date on which the order setting aside such direction is received by the Principal Commissioner or Commissioner; or
- iii) the period commencing from the date on which the AO makes a reference to the Valuation Officer u/s 142A(1) and ending with the date on which the report of the Valuation Officer is received by the Assessing Officer; or
- iv) the time taken in re-opening the whole or any part of the proceeding or in giving an opportunity to the assessee of being re-heard under the proviso to section 129; or

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- v) in a case where an application made before the Income-tax Settlement Commission is rejected by it or is not allowed to be proceeded with by it, the period commencing from the date on which an application is made before the Settlement Commission u/s 245C and ending with the date on which the order under sub-section (1) of section 245D is received by the Principal Commissioner/Commissioner under sub-section (2) of that secn; or
- vi) the period commencing from the date on which an application is made before the Authority for Advance Rulings under sub-section (1) of section 245Q and ending with the date on which the order rejecting the application is received by the Principal Commissioner/Commissioner under sub-section (3) of section 245R; or
- vii) the period commencing from the date on which an application is made before the Authority for Advance Rulings under sub-section (1) of section 245Q and ending with the date on which the advance ruling pronounced by it is received by the Principal Commissioner or Commissioner under sub-section (7) of section 245R; or
- viii) the period commencing from the date of annulment of a proceeding or order of assessment or reassessment referred to in sub-section (2) of sec 153A, till the date of the receipt of the order setting aside the order of such annulment, by the Principal Commissioner or Commissioner; or
- ix) the period commencing from the date on which a reference or first of the references for exchange of information is made by an authority competent under an agreement referred to in sec 90 / 90A and ending with the date on which the information requested is last received by the PCIT / CIT or a period of one year, whichever is less; or
- x) the period commencing from the date on which a reference for declaration of an arrangement to be an impermissible avoidance arrangement is received by the Principal Commissioner or Commissioner under sub-section (1) of section 144BA and ending on the date on which a direction under sub-section (3) or sub-section (6) or an order under sub-section (5) of the

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said section is received by the Assessing Officer,

shall be excluded.

Provided that where immediately after the exclusion of the aforesaid period, the period of limitation referred to in clause (a) or clause (b) of this sub-section available to the Assessing Officer for making an order of assessment or reassessment, as the case may be, is less than sixty days, such remaining period shall be extended to sixty days and the aforesaid period of limitation shall be deemed to be extended accordingly

Provided further that where the period available to the Transfer Pricing Officer is extended to sixty days in accordance with the proviso to sub-section (3A) of section 92CA and the period of limitation available to the AO for making an order of assessment or reassessment, as the case may be, is less than sixty days, such remaining period shall be extended to sixty days and the aforesaid period of limitation shall be deemed to be extended accordingly.

Provided also that where a proceeding before the Settlement Commission abates u/s 245HA, the period of limitation available under this section to the AO for making an order of assessment or reassessment, as the case may be, shall, after the exclusion of the period under sub-section (4) of section 245HA, be not less than one year; and where such period of limitation is less than one year, it shall be deemed to have been extended to one year.

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Simplified Analysis

For 6AY immediately preceding the PY in which search or requisition u/s 132/132A is done	Date on which last authorisation was executed (Panchnama was made)	From the end of FY in which last of the authorisation was executed	From the end of FY in which BOA are handed over u/s 153C to the concerned officer
	Before 01.04.2018	21 months	9 month
	FY 2018-19	18 Months	12Months
	On/ after 01.04.2019	12 months	12 months
For the AY relevant to PY in which search was started	Same as above		
Reference to TPO made	Extend the above period from 12months.		

Sec.153C Assessment of income of any other person.

Sec 153C(1) - Notwithstanding anything contained in section 139, section 147, section 148, section 149, section 151 and section 153, where the AO is satisfied that,—

- any money, bullion, jewellery or other valuable article or thing, seized or requisitioned, belongs to; or
- any books of account or documents, seized or requisitioned, pertains or pertain to, or any information contained therein, relates to, a person other than the person referred to in section 153A, then, the books of account or documents or assets, seized or requisitioned shall be handed over to the AO having jurisdiction over such other person and that AO shall proceed against each such other person and issue notice and assess or reassess the income of the other person in accordance with the provisions of sec 153A, if, that AO is satisfied that the books of account or documents or assets seized or requisitioned have a bearing on the determination of the total income of such other person for 6 AYs immediately preceding the AY relevant to PY in

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which search is conducted or requisition is made and for the relevant AY(s) referred to in sub-section (1) of section 153A

Provided that in case of such other person, the reference to the date of initiation of the search u/sn 132 or making of requisition u/s 132A in the second proviso to sub-section (1) of section 153A shall be construed as reference to the date of receiving the books of account or documents or assets seized or requisitioned by the Assessing Officer having jurisdiction over such other person.

Provided further that the Central Government may by rules made by it and published in the Official Gazette, specify the class or classes of cases in respect of such other person, in which the AO shall not be required to issue notice for assessing or reassessing the total income for 6 AYs immediately preceding the AY relevant to the PY in which search is conducted or requisition is made and for the relevant AY(s) as referred to in sub-section (1) of section 153A except in cases where any assessment or reassessment has abated.

Sec 153C(2) - Where books of account or documents or assets seized or requisitioned as referred to in sub-section (1) has or have been received by the AO having jurisdiction over such other person after the due date for furnishing the return of income for the AY relevant to the PY in which search is conducted u/s 132 or requisition is made u/s 132A and in respect of such AY—

- a) no return of income has been furnished by such other person and no notice under sub-section (1) of section 142 has been issued to him, or
- b) a return of income has been furnished by such other person but no notice under sub-section (2) of section 143 has been served and limitation of serving the notice under sub-section (2) of section 143 has expired, or
- c) assessment or reassessment, if any, has been made, before the date of receiving the books of account or documents or assets

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seized or requisitioned by the AO having jurisdiction over such other person, such AO shall issue the notice and assess or reassess total income of such other person of such AY in the manner provided in section 153A.

Sec.153 Time limit for completion of assessment, reassessment and recomputation.

Sec 153(2) - No order of assessment, reassessment or recomputation shall be made u/s 147 after the expiry of 9m from the end of the FY in which the notice u/s 148 was served.

Provided that where the notice u/s 148 is served on or after the 1st day of April, 2019, the provisions of this sub-section shall have effect, as if for the words "nine months", the words "twelve months" had been substituted.

Sec 153(8) - Notwithstanding anything contained in the foregoing provisions of this section, sub-section (2) of section 153A or sub-section (1) of section 153B, the order of assessment or reassessment, relating to any assessment year, which stands revived under sub-section (2) of section 153A, shall be made within a period of one year from the end of the month of such revival or within the period specified in this section or sub-section (1) of section 153B, whichever is later.

Sec 69 Unexplained investments.

Where in the FY immediately preceding the AY the assessee has made investments which are not recorded in the books of account, if any, maintained by him for any source of income, and the assessee offers no explanation about the nature and source of the investments or the explanation offered by him is not, in the opinion of the AO, satisfactory, the value of the investments may be deemed to be the income of the assessee of such FY.

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Sec 69A Unexplained money, etc.

Where in any FY the assessee is found to be the owner of any money, bullion, jewellery or other valuable article and such money, bullion, jewellery or valuable article is not recorded in the books of account, if any, maintained by him for any source of income, and the assessee offers no explanation about the nature and source of acquisition of the money, bullion, jewellery or other valuable article, or the explanation offered by him is not, in the opinion of the AO, satisfactory, the money and the value of the bullion, jewellery or other valuable article may be deemed to be the income of the assessee for such FY.

Sec 69B Amount of investments, etc., not fully disclosed in books of account.

Where in any FY the assessee has made investments or is found to be the owner of any bullion, jewellery or other valuable article, and the AO finds that the amount expended on making such investments or in acquiring such bullion, jewellery or other valuable article exceeds the amount recorded in this behalf in the books of account maintained by the assessee for any source of income, and the assessee offers no explanation about such excess amount or the explanation offered by him is not, in the opinion of the Assessing Officer, satisfactory, the excess amount may be deemed to be the income of the assessee for such financial year.

Sec 69C Unexplained expenditure, etc.

Where in any FY an assessee has incurred any expenditure and he offers no explanation about the source of such expenditure or part thereof, or the explanation, if any, offered by him is not, in the opinion of the AO, satisfactory, the amount covered by such expenditure or part thereof, as the case may be, may be deemed to be the income of the assessee for such FY. Provided that, notwithstanding anything contained in any other provision of

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this Act, such unexplained expenditure which is deemed to be the income of the assessee shall not be allowed as a deduction under any head of income.

Sec 69D Amount borrowed or repaid on hundi.

Where any amount is borrowed on a hundi from, or any amount due thereon is repaid to, any person otherwise than through an account payee cheque drawn on a bank, the amount so borrowed or repaid shall be deemed to be the income of the person borrowing or repaying the amount aforesaid for the PY in which the amount was borrowed or repaid, as the case may be. Provided that, if in any case any amount borrowed on a hundi has been deemed under the provisions of this section to be the income of any person, such person shall not be liable to be assessed again in respect of such amount under the provisions of this section on repayment of such amount.

Explanation - For the purposes of this section, the amount repaid shall include the amount of interest paid on the amount borrowed.

Relevant Case Laws

UOI v Ajit
Jain [2003]

Question: Whether Information given by CBI constitute Information for the purpose of Search?
Held: That mere intimation by the CBI that money was found in the possession of the assessee, which according to the CBI was undisclosed, without something more, does not constitute "information" within the meaning of section 132, on the basis of which a search warrant could be issued. Consequently, the Supreme Court held that the search conducted on this basis and the assessment made pursuant to such search was not valid.