Principal Commissioner of Income Tax & Anr. v. Tata Power Solar Systems Limited

I.T.A. Nos. 527 and 528/2022

2024:KHC:32486-DB | 2024-08-12

Late transfer-pricing order held barred

92CA(3) | 92CA(3A) | 153(1) | 143(3) | 144C | 260A

Karnataka High Court | Division Bench | S. G. Pandit | C. M. Poonacha

Assessment years: 2011-12

01 FACTS OF THE CASE

Revenue's ITA527/2022 and ITA528/2022 challenged the Tribunal's 30 March 2022 orders concerning AY2011–12. Tata Power Solar manufactured solar cells, photovoltaic modules and systems. The TPO's order was dated 30 January 2015; the Tribunal held that it was required by 28 January 2015, before the relevant 60-day interval preceding 31 March 2015. The ensuing final assessment was dated 28 January 2016.

Source: Paras1–5,9, PDF pp.3–7

02 DISCUSSION BY THE HON'BLE COURT

The Court examined section92CA(3A) with section153(1), and the mandatory timetable discussed in Pfizer Healthcare and Saint Gobain. Revenue's contention that the order was actually passed on 28 January but dated30 January, and that the defect was curable, had been rejected by the Tribunal. The Court accepted the factual finding that the order was made after the prescribed deadline and found no substantial question of law.

Source: Paras9–12, PDF pp.6–9

03 JUDICIAL DECISION

Both appeals were dismissed at admission as devoid of merit. The Tribunal's limitation conclusion remained undisturbed.

Source: Para12, PDF p.9

04 OUTCOME / IN WHOSE FAVOUR

Final assessee-favourable result on the time-barred TPO order. The judgment did not determine the correctness of transfer-pricing comparables or quantify a proper arm's-length adjustment.

Source: Paras9–12, PDF pp.6–9

05 EXPERT COMMENTS

Identify the applicable timetable before computing dates — The judgment links the section92CA(3A) interval to the relevant section153 deadline, recording28 January2015 as the last permissible TPO date and30 January2015 as the actual date. Those are this case's dates, not a reusable calendar deadline. Applying the decision elsewhere requires the correct assessment year, statutory version and any applicable extensions.

A dating assertion did not cure the recorded delay — Revenue argued that the order was passed earlier and merely dated later. The Tribunal rejected the contention that this was a curable procedural irregularity, and the High Court accepted the late-order finding. A limitation dispute therefore needs evidence of the legally relevant making of the order, rather than a bare retrospective explanation of its date.

Separate this case's dates from the precedent quotation — The quoted Saint Gobain discussion explains the mandatory sequence and contains a2019 date from that litigation. Tata Power Solar's dispute concerns the2015 TPO order for AY2011–12. The source once says AY2010–11 on page5, but its captioned prayers, factual introduction and paragraph9 consistently identify AY2011–12; that discrepancy is preserved in the audit.

Source: Editorial analysis; source references in the structured comments

SOURCE & VERIFICATION

Karnataka High Court source judgment

Complete 9-page supplied source; all pages read.

All 9 original pages read and visually inspected; source hash verified. AI-assisted substantive correction.

Open cited source rendition

Source bytes and identity checked; see panel-specific references and disclosed source anomalies.

STATUTORY SCOPE

Only source-supported provisions are indexed; no Income-tax Act, 2025 equivalence is asserted.

LATER TREATMENT

Source checked 2026-10-21. Subsequent treatment not independently verified.

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

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