# Principal Officer LG Electronics India Pvt. Ltd. v. Assistant Commissioner of Income Tax, Noida & Anr.

Civil Appeal No. 18067 of 2017 / Civil Appeal No. 18068 of 2017 / Civil Appeal No. 18281 of 2017

Signed order dated 7 October 2026 (non-reportable) | 2026-10-07

## Reassessment: failure of the stated TDS-disallowance ground

Income-tax Act, 1961: sections 40(a)(i), 147, 148, 195 and 201

2-judge bench | J. B. Pardiwala J. | K. Vinod Chandran J.

### Decision scope and outcome limits

Relief rests on the identified, unchallenged ITAT result and the sole stated reopening ground. This is not a general ruling that every payment to a foreign associated enterprise escapes TDS or that every reassessment ground is invalid.

### 01 FACTS OF THE CASE

The appeals concerned reassessment for AYs 2006–07, 2007–08 and 2008–09 based on alleged failure to deduct tax on payments to LG Korea and associated enterprises. The asserted consequence was disallowance under section 40(a)(i). The High Court declined to interfere with the notices.

Source: Primary order: Paragraphs 1–6; PDF pages 1–4

### 02 DISCUSSION BY THE HON'BLE COURT

The Court relied on the ITAT result in the parallel section 201 proceedings: the identified payee tax liability did not survive and the assessee was not an assessee-in-default. The relevant payee appellate orders had not been challenged owing to low tax effect. The Court rejected continuation on other grounds when the stated reopening ground was untenable.

Source: Primary order: Paragraphs 7–8; PDF pages 4–5

### 03 JUDICIAL DECISION

The reassessment proceedings for AYs 2006–07 to 2008–09 were held unenforceable. On production of the SC decision and the identified ITAT order, the Assessing Officer must close them. All three appeals were allowed without remand; pending applications were rejected in the signed order.

Source: Primary order: Paragraphs 8–10; PDF page 5; date on page 6

### 04 OUTCOME / IN WHOSE FAVOUR

Assessee. The connected appeals were allowed and closure directed on the specified documentary production.

Source: Primary order: Paragraphs 8–10; PDF page 5


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### 05 AKHB REVIEW POINT

Match the reopening reasons, relevant years and exact operative ITAT order before invoking this decision. Preserve the distinction between a case-specific failure of the stated disallowance ground and any broader proposition about PE, treaty liability or withholding.

Source: Primary order: Paragraphs 7–8; PDF pages 4–5

## SOURCE & VERIFICATION

Signed court order — identified public mirror

The complete seven-page court-copy PDF contains the signed order, its 7 October 2026 date and the appended record of proceedings. The digital-signature/upload date is later. The identified public mirror is the provenance of these exact bytes; an official-origin byte match is not represented.

Source distinction: Paragraph 7 contains an apparent wording anomaly in its disallowance sentence. This summary follows the express operative directions in paragraphs 8–10; the source PDF is preserved unchanged.

Open cited source rendition

## STATUTORY SCOPE

Income-tax proceedings under the identified statutory setting. This note does not establish equivalence under the Income-tax Act, 2025, or comprehensive later-treatment/current-law clearance.

## LATER TREATMENT

Source checked 2026-10-22. Subsequent treatment and current-law applicability have not been comprehensively checked.

### AI DISCLOSURE

This AKHB research note was prepared with AI assistance from an identified primary report. Independent human review is not represented.

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