

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH "A" NEW DELHI**

**BEFORE SHRI CHALLA NAGENDRA PRASAD, JUDICIAL MEMBER
AND
SHRI AVDHESH KUMAR MISHRA, ACCOUNTANT MEMBER**

**आ.अ.सं./I.T.A No. 5379/Del/2024
निर्धारणवर्ष/Assessment Year: 2015-16**

ITO, Ward 47(1), Delhi.	<u>बनाम</u> Vs.	PURE AGRI WORLD, 2618/19, 2 nd Floor, Maruti Bhawan, Naya Bazar, Delhi. PAN No.AAOF2516N
अपीलार्थी Appellant		प्रत्यर्थी/ Respondent

&

**Cross Objection No.54/Del/2025
(Arising out of ITA No. 5379/Del/2024)
निर्धारणवर्ष/Assessment Year: 2015-16**

PURE AGRI WORLD, 2618/19, 2 nd Floor, Maruti Bhawan, Naya Bazar, Delhi. PAN No.AAOF2516N	<u>बनाम</u> Vs.	ITO, Ward 47(1), Delhi.
अपीलार्थी Appellant		प्रत्यर्थी/ Respondent

Assessee by	Shri Amit Goel, Adv. & Shri Pranav Yadav, Adv.
Revenue by	Shri Ajay Kumar Arora, Sr. DR

सुनवाईकीतारीख/ Date of hearing:	13.08.2025
उद्घोषणाकीतारीख/Pronouncement on	22.08.2025

आदेश / O R D E R

PER C.N. PRASAD, J.M.

This appeal and Cross Objection are filed by the Revenue and Assessee respectively against the order of the Ld. Pr. CIT dated 18.11.2024 for the AY 2015-16.

Revenue in its appeal raised the following grounds:

- 1. "Whether the Ld. CIT(A) has erred in deleting the addition as the assessee has made the transactions with the entity that is managed and controlled by an established accommodation entry operator Sh. Ashok Kumar Gupta and during the survey proceedings, in his statement on oath recorded during the survey on 30.11.2018, admitted that he has given both purchases and sales related accommodation entries through his entities. Statement of Sh. Anuj Kumar Gupta (son of Sh. Ashok Kumar Gupta) was also recorded on oath on 03.03.2020 in which he has admitted that he was also getting commission income through providing accommodation entries to various parties by his proprietorship concern M/s Parth International. However, he has stated that the entire business activities of M/s Parth International are managed by his father Sh. Ashok Kumar Gupta and he is not aware of the business activities of M/s Parth International.*
- 2. Whether the Ld. CIT(A) has erred in ignoring the fact that the Hon'ble Bombay High Court, in the case of the M/s Pebble Investment Private and Finance Limited Vs ITO, held that a statement made u/s 133A of the Act that is not bereft of any evidentiary value. The same may not be conclusive but in the absence of any contrary evidence or explanation as to why the*

statement made u/s 133A of the Act is not credible, it can be acted upon.

3. *Whether the Ld. CIT(A) has erred in ignoring the fact that the modus operandi of M/s Parth International is giving non genuine entries to various parties by just providing entries to beneficiaries to enable them to book bogus purchase and sales in their books. And the assessee has made transaction with the above said entity.*
4. *Whether the Ld. CIT(A) has erred in ignoring the fact that M/s Parth International has not responded to the notice issued u/s 133(6) of the Act, therefore, the identity, creditworthiness & genuineness of the party is doubtful.*
5. *Whether the Ld. CIT(A) has erred in observing that the sales has been accepted by the AO, wherever, the AO has considered the purchase as bogus, then how the sales would be genuine if purchases are bogus. During the assessment proceedings, the assessee has not submitted delivery challan showing the date and delivery of goods, signature of buyer for acknowledgement of receipt of goods, quality certificate of goods sold, payment records, tax documents etc. in addition to the purchase/sales invoice etc.*
6. *The above grounds are independent and without prejudice to one another.*
7. *That the appellant craves leave to add, alter or amend any of the grounds of appeal before or during the course of hearing of the appeal.”*

The Assessee in its cross objection raised the following grounds:

1. *“On the facts and circumstances of the case and in law, the notice u/s 148 issued in this case is bad in law, illegal, without jurisdiction and barred by limitation and, therefore, the said notice u/s 148*

along with assessment order passed on the foundation of such notice are liable to be quashed and CIT(A) erred in not holding so.

2. *On the facts and circumstances of the case and in law, the reassessment proceedings initiated are contrary to the provisions of law including the specific provisions of section 147 to section 151A of Income Tax Act, 1961 and therefore the reassessment proceeding initiated along with assessment order passed are liable to be quashed and CIT(A) erred in not holding so.*
3. *On the facts and circumstances of the case and in law, the order passed by the Ld. Assessing Officer and the addition made therein is bad in law and CIT(A) erred in not holding so.”*

2. Ld. Counsel for the assessee, at the outset, submitted that the tax effect in Revenue's appeal is less than Rs.60 lakhs and therefore the appeal is liable to be dismissed in view of the CBDT Circular No.09 of 2024 dated 17/09/2024.

3. Coming to Assessee's Cross Objection the Ld. Counsel for the assessee submits that in the case of the assessee a notice u/s 148 was issued on 29.7.2022 under new law which is barred by limitation since the provisions of taxation and other laws (relaxation and amendment of certain provisions) (TOLA) are not applicable for the AY 2015-16 as held by the Hon'ble Jurisdictional High Court in the case of Make My Trip (India)

Pvt. Ltd. in WP(c) 2558/2023 dated 24.03.2025. Reliance was placed on the following decisions: -

- *Deepak Steel & Power Ltd. Vs. Central Board of Direct Taxes reported in [2025] 174 taxmann.com 144 (SC);*
- *Makemytrip India (P) Ltd. Vs. Deputy Commissioner of Income Tax reported in [2025] 173 taxmann.com 497 (Delhi);*
- *Bhagwan Sahai Sharma Vs. Deputy Commissioner of Income Tax reported in [2025] 174 taxmann.com 14 (Delhi);*
- *Sheetal International (P) ltd. Vs. Chief Commissioner of Income Tax reported in [2024] 168 taxmann.com 308 (Delhi).*
- *IBIBO Group Private Limited Vs. ACIT W.P.(C)-17639/2022 dated 13.12.2024 (Delhi) Chandra Prakash Srivastava Vs. ITO, W.P.(C) 5893/2023, dated 30.05.2025 (Delhi)*

4. Ld. Counsel further submits that recently the Hon'ble Supreme Court in the cases of Deepak Steels & Power Ltd. Vs. CBDT and Others in Civil Appeal No.5177/2025 dated 02.04.2025 noted that the Revenue made a concession before the Hon'ble Supreme Court while disposing off the appeal in the case of Union of India & Others Vs. Rajiv Bansal (2024) (SCC) Online SC 2693, that for the AY 2015-16 notices issued on or after 01.04.2021 will have to be dropped as they would not fall for completion during the period prescribed under the

TOLA. Ld. Counsel also submitted that similar view has been taken by the Hon'ble Supreme Court in the case of ACIT Vs. Nehal Rashid Shah in SLP (Civil) Diary No. (S) 57209/2024 dated 4.4.2025. Therefore, it is submitted that in the light of these decisions the reassessment framed for the AY 2015-16 based on the notice issued u/s 148 of the Act dated 29.06.2021, is time barred and bad in law.

5. Ld. DR supported the orders of the Assessing Officer.

6. Heard rival contentions, perused the orders of the authorities below. Admittedly in this case notice u/s 148 was issued on 29.07.2022 under new law based on which the reassessment for the AY 2015-16 was framed by the AO on 22.5.2023. The reassessment was challenged before the Ld. CIT(Appeals) and the Ld. CIT(Appeals) dismissed the appeal for non-prosecution by the assessee.

7. In the case of Make My Trip (India) Pvt. Ltd. Vs. DCIT (supra) the Jurisdictional High Court considered whether reassessment completed for the AY 2015-16 based on a notice issued u/s 148 and the *viz a viz* the applicability of the provisions of TOLA and based on the concession of the Revenue

that for the AY 2015-16 all the notices issued on or after 1.4.2021 will have to be dropped as they will not fall for completion during the period prescribed under the TOLA, held that the notice issued under 148 was beyond the period of limitation and consequently the same is liable to be set aside.

8. Further the Hon'ble Supreme Court in the case of Deepak Steel & Power Ltd. Vs. CBDT & Others (supra) quashed the notices issued u/s 148 observing as under: -

"2. These appeals arise from 'the order passed by the High Court of Orissa at Cuttack in Writ Petition (C) Nos. 2446 of 2823, 2543 of 2023 dated 1.2.2023 and 2544 of 2023 dated 10.02.2023 respectively by which the High Court disposed of the original writ petitions in the following terms:-

"1. The memo of appearance filed by Mr. S. S. Mohapatra, learned Senior Standing Counsel for Revenue Department on behalf of Opposite Parties is taken on record.

2. In view of the order passed by this Court on 1st December, 2022 in a batch of writ petitions of which W.P. (C) Mo.9191 of 2022 (Kailash Kedia v. Income Tax Officer) was a lead matter and the subsequent order dated 10th January, 2023 passed in W.P.(C) Mo.36314 of 2022 (Shiv Mettalicks Pvt. Ltd., Rourkela v. Principal Commissioner of Income Tax, Sambalpur), the Court declines to entertain the present writ petition, but leaves it open to the Petitioner to raise all grounds available to the Petitioner in accordance with law including the grounds urged in the present petition at the

appropriate stage as explained by the Court in those orders.

3. The writ petition is disposed of in the above terms."

3. We heard Mr. Saswat Kumar Acharya, the learned counsel appearing for the appellants (assessee) and Mr. Chandrashekhar, the learned counsel appearing for the revenue.

4. The learned counsel appearing for the revenue with his usual fairness invited the attention of this Court to a three judge bench decision of this Court in Union of India and Ors. v. Rajeev Bansal, reported in 2024 SCC OnLine SC 2693, more particularly, paragraph 19(f) which reads thus:-

"19. (f) The Revenue concedes that for the assessment year 2015- 2016, all notices issued on or after April 1, 2021 will have to be dropped as they will not fall for completion during the period prescribed under the Taxation and other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020."

5. As the revenue made a concession in the aforesaid decision that is for the assessment year 2015-2016, all notices issued on or after 1st April, 2021 will have to be dropped as they would not fall for completion during the period prescribed under the taxation and other laws (Relaxation and Amendment of certain Provisions Act, 2020). Nothing further is required to be adjudicated in this matter as the notices so far as the present litigation is concerned is dated 25.6.2021.

6. In view of the aforesaid, in such circumstances referred to above the original writ petition nos.2446 of 2023, 2543 of 2023 and 2544 of 2023 respectively filed before the High Court of Orissa at cuttack stands allowed.

7. *The impugned notice therein stands quashed and set aside.”*

9. Above decisions squarely applies to the fact situation of the assessee and therefore respectfully following the above decisions, we hold that the notices issued u/s 148 on or after 1.4.2021 for reopening the assessment for the AY 2015-16 are barred by limitation and consequently the reassessment made based on such notices are bad in law and *void ab initio*. Thus, the impugned reassessment order having been made pursuant to notice issued u/s 148 dated 29.06.2021 and notice dated 23.05.2022 u/s 148A(b) under new law, the reassessment order is hereby held to be bad in law and the same is quashed. Ground No.1 of grounds of cross objection of the assessee is allowed.

10. As we have quashed the reassessment on one of the legal issues raised in ground no.1 all other grounds are not adjudicated as they become only academic at this stage. Since the reassessment order is quashed appeal of the Revenue became infructuous.

11. In the result, the appeal of the Revenue is dismissed and the Cross Objection filed by the Assessee is partly allowed as indicated above.

Order pronounced in the open court on 22.08.2025

**Sd/-
(AVDHESH KUMAR MISHRA)
ACCOUNTANT MEMBER**

**Sd/-
(C.N. PRASAD)
JUDICIAL MEMBER**

Dated: 22.08.2025

**Kavita Arora, Sr. P.S.*

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

**ASSISTANT REGISTRAR
ITAT, NEW DELHI**