

IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'A' NEW DELHI

BEFORE SHRI MAHAVIR SINGH, VICE PRESIDENT
AND
SHRI AMITABH SHUKLA, ACCOUNTANT MEMBER

ITA No. 6208/DEL/2025 (AYR 2015-16)

SANJEEV KUMAR AGGARWAL, VS. DCIT, CIRCLE 52(1),
C/O M/S RAJ KUMAR & CIVIC CENTRE,
ASSOCIATES, NEW DELHI
L-7A (LGF), SOUTH EXTENSION,
PART-II, NEW DELHI – 110 049
(APPELLANT) **(RESPONDENT)**

Assessee by : Sh. Raj Kumar Gupta, CA
Revenue by : Sh. Jitender Singh, CIT(DR)

Date of Hearing	5.1.2026
Date of Pronouncement	9.1.2026

ORDER

PER MAHAVIR SINGH, VP:

This appeal filed by the Assessee is arising out of the Ld. CIT(A)/NFAC, Delhi in Appeal No. NFAC/2014-15/10278469 dated 18.09.2025. Assessment was framed by the AO/NFAC, Delhi for the AY 2015-16 u/s. 147 read with section 144B of the Income Tax Act, 1961 (hereinafter referred as the Act) vide order dated 25.5.2023.

2. At the outset, Ld. Counsel for the assesee first of all argued the issue of limitation raised vide Ground No. 1 which reads as under:-

“That under the facts and circumstances, notice u/s 148 dated 26.7.2022 is barred by limitation, as the limitation for issuing notice u/s. 148 for AY 2015-16 stood ended on 31.3.2022, more so, since,

under the facts, AY 15-16 was not covered by TOLA as the normal limitation period was to expire on 31.3.02 and not on 30.6.21 and also being bared by limitation as Revenue conceded before Hon'ble Supreme Court in case of Rajeev Bansal that all notices issued for AY 2015-16 have to be dropped."

3. Ld. Counsel for the assessee stated that the assessment order is barred by limitation in view of the decision of the Hon'ble Supreme Court of India in the case of UOI vs. Rajeev Bansal (2024) 167 taxmann.com 70 (SC). Ld. Counsel for the assessee further stated that the assessment has been framed on the basis of second notice dated 26.7.2022 issued u/s. 148 of the Act. He explained the chronology wise list of relevant events, which reads as under:-

Date	Event
22.06.2021	1 st notice u/s. 148 issued
04.05.2022	Decision of Hon'ble Supreme Court in case of UOI vs. Ashish Agarwal
21.05.2022	Notice u/s. 148A(b) issued
06.06.2022	Reply to Notice u/s. 148A(b) filed
26.07.2022	Order u/s. 148A(d) passed
26.07.2022	2 nd notice u/s. 148 issued
25.05.2023	Assessment completed based on 2 nd notice u/s. 148 dated 26.7.2022.

3.1 Ld. Counsel for the assessee further argued that in this case the alleged escapement of income was more than Rs. 50 lacs and hence, notice u/s. 148 could have been issued within 6 years from the end of the relevant assessment year i.e. upto 31.03.2022. He further stated that the matter was not getting time barred between 20.03.2020 to 31.3.2021, therefore, TOLA provisions were not applicable. He stated that Revenue through ASG itself conceded in the case of UOI vs. Rajeev Bansal that TOLA provisions are not applicable for AY 2015-16,

therefore, all notice issued after 1.4.2021 under un-amended provisions will have to be dropped. He further stated that notice for AY 2015-16 could have been issued after 31.3.2022, however, since the impugned notice issued u/s. 148 was issued on 26.7.2022, hence, it is barred by limitation. Ld. Counsel for the assessee cited the relevant extract of the judgment in the case of UOI vs. Rajeev Bansal, which reads as under:-

“19. Mr. N. Venkataraman, learned Additional Solicitor General of India, made the following submissions on behalf of the Revenue:

a. b. c. d.....
e. The Finance Act 2021 substituted the old regime for reassessment with a new regime. The first proviso to Sec. 149 does not expressly bar the application of TOLA. Section 3 of TOLA applies to the entire Income Tax Act, including Sections 149 and 151 of the new regime. Once the first proviso to Sec. 149(1)(b) is read with TOLA, then all the notices issued between 1st April, 2021 and 30 June, 2021 pertaining to assessment years 2013-14, 2014-15, 2015-16, 2016-17, and 2017-18 will be within the period of limitation as explained in the tabulation below:

Assessment year (1)	Within 3 years (2)	Expiry of Limitation read with TOLA for (2) (3)	Within six years (4)	Expiry of Limitation read with TOLA for (4) (5)
2013-14	31.3.2017	<i>TOLA not applicable</i>	31.3.2020	30.6.2021
2014-15	31.3.2018	<i>TOLA not applicable</i>	31.3.2021	30.6.2021
2015-16	31.3.2019	<i>TOLA not applicable</i>	31.3.2022	<i>TOLA not applicable</i>
2016-17	31.3.2020	30.6.2021	31.3.2023	<i>TOLA not applicable</i>
2017-18	31.3.2021	30.6.2021	31.3.2024	<i>TOLA not applicable</i>

f. The Revenue concedes that for the assessment year 2015-16, all notices issued on or after 1st April, 2021 will have to be dropped as they will not fall for completion during the period prescribed under TOLA.”

.....114. In view of the above discussion, we conclude that:

- a. After 1 April, 2021, the Income Tax Act has to be read along with the substituted provisions.*
- b. TOLA will continue to apply to the Income Tax Act after 1 April 2021 if any action or proceeding specified under the substituted provisions of the Income Tax Act falls for completion between 20 March 2020 and 31st March 2021;*
- c. Section 3(1) of TOLA overrides Section 149 of the Income Tax Act only to the extent of relaxing the time limit for issuance of reassessment notice under section 148.”*

3.2 Ld. Counsel for the assessee also filed the copies of judgement of the Hon’ble Delhi High Court in the case of Sarthak Gupta vs. ITO [2025] 179 taxmann.com 572 (Delhi) and IBIBO Group Pvt. Ltd. vs. ACIT (WP©) 17639/2022 (DHC) dated 13.12.2024 wherein, exactly on identical facts, even the same date of notice was issued u/s. 148 of the Act on 26.07.2022 for the assessment year 2015-16 was held as barred by limitation. When these facts were confronted to the Ld. CIT(DR), he could not controvert the above fact situation.

4. After hearing the rival contentions and gone through the above noted facts and the decision of the Hon’ble Supreme Court in the case of UOI vs. Rajeev Bansal (Supra) and also decision of Hon’ble Delhi High Court in the case of Sarthak Gupta vs. ITO and IBIBO Group Pvt. Ltd. vs. ACIT (Supra). We hold that the notice issued u/s. 148 of the Act dated 26.07.2022 is barred by limitation. Accordingly, assessment completed on 25.05.2023 based on second notice issued

u/s. 148 of the Act dated 22.07.2022 is barred by limitation and accordingly, the same is set aside. Hence, the appeal of the assessee is allowed.

Order pronounced in the Open Court on 9.01.2026.

Sd/-

**(AMITABH SHUKLA)
ACCOUNTANT MEMBER**

Sd/-

**(MAHAVIR SINGH)
VICE PRESIDENT**

SRBhatnagar

Date: 9-01-2026

Copy forwarded to: -

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

Assistant Registrar, ITAT,
Delhi Benches