

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

BEFORE SHRI MAHAVIR SINGH, VICE PRESIDENT  
AND  
SMT. RENU JAUHRI, ACCOUNTANT MEMBER

ITA No. 6235/DEL/2025 (AYR 2015-16)  
EASH KUMAR SARNA, VS ITO, WARD -1,  
HOUSE NO. 35, WARD 19, FATEHABAD  
FRIENDS COLONY, TOHANA HARYANA  
FATEHABAD-125120  
HARYANA

(APPELLANT)

(RESPONDENT)

AND

ITA No. 6236/DEL/2025 (AYR 2015-16)  
SEEMA RANI SARNA, VS. ITO, WARD -1,  
PLOT NO. 10, RATIA ROAD, FATEHABAD  
JAMALPUR SHEIKHAN, HARYANA  
FATEHABAD-125120  
HARYANA

(APPELLANT)

(RESPONDENT)

Assessee by : Ms. Vandana Kothari, Adv.  
Revenue by : Sh. Ajay Kumar Arora, Sr. DR

|                       |          |
|-----------------------|----------|
| Date of Hearing       | 7.1.2026 |
| Date of Pronouncement | 7.1.2026 |

**ORDER**

**PER MAHAVIR SINGH, VP:**

These appeals filed by the different Assesseees are arising out of the respective orders of Ld. CIT(A)/NFAC, Delhi in Appeal Nos. NFAC/2014-15/10280723 & NFAC/2014-15/10280727 both dated 24.9.2025. In both the cases, assessment were 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 24.9.2025 and 25.5.2023 respectively. Since common issue has been argued in both the appeals, hence, the appeals were heard together and disposed of by this common order for the sake of convenience, by dealing with ITA No. 6235/Del/2025 (Eash Kumar Sarna).

2. At the outset, Ld. Counsel for the assessee pointed out that there is jurisdictional issue in this appeal in regard to assumption of jurisdiction by the AO for reopening the assessment u/s. 147 read with section 148 of the Act. For this, assessee has raised the Ground No. 3, which reads as under:-

“3. Confirming the following actions of the Assessing Officer –

- i. Initiating proceedings u/s. 147/148 of the Act without there being any valid reason leading to the belief of escapement of income;
- ii. Disposing off the objections to the reopening of assessment mechanically by non speaking order.”

3. Ld. Counsel for the assessee stated that the notice u/s. 148 of the Act dated 22.7.2022, is barred by limitation, since it has been issued after expiry of 6 years from the end of the relevant assessment year i.e. AY 2015-16. According to the assessee, it is contrary to the mandate of the first proviso below section 149(1)(b) and therefore, is invalid, bad in law and leading the impugned assessment proceedings as well as the impugned assessment order bad in law, liable to be quashed ab initio.

3.1 Ld. Counsel for the assessee further submitted that the issue is no longer res integra in view of the judgement of the Hon’ble Apex Court in Rajeev Bansal reported in 469 ITR 46, wherein it is held that for the assessment year 2015-16, limitation period to issue notice u/s. 148 of the Act is upto 31.3.2022 and TOLA is applicable for the year 2015-16. 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 notices issued after 1.4.2021 under un-amended provisions will have to be dropped. 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 1<sup>st</sup> 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<br>(1) | Within 3 years<br>(2) | Expiry of Limitation read with TOLA for<br>(2)<br>(3) | Within six years<br>(4) | Expiry of Limitation read with TOLA for<br>(4)<br>(5) |
|------------------------|-----------------------|-------------------------------------------------------|-------------------------|-------------------------------------------------------|
| 2013-14                | 31.3.2017             | TOLA not applicable                                   | 31.3.2020               | 30.6.2021                                             |
| 2014-15                | 31.3.2018             | TOLA not applicable                                   | 31.3.2021               | 30.6.2021                                             |
| 2015-16                | 31.3.2019             | TOLA not applicable                                   | 31.3.2022               | TOLA not applicable                                   |
| 2016-17                | 31.3.2020             | 30.6.2021                                             | 31.3.2023               | TOLA not applicable                                   |
| 2017-18                | 31.3.2021             | 30.6.2021                                             | 31.3.2024               | TOLA not applicable                                   |

f. The Revenue concedes that for the assessment year 2015-16, all notices issued on or after 1<sup>st</sup> 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 31<sup>st</sup> 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 relied upon the decision of ITAT, Delhi in the case of Harish Kumar vs. NFAC, Delhi (2025) 176 taxmann.com 309 (Delhi Trib) dated 18.6.2025 wherein, it has been held that where limitation period available to Assessing Officer for issuance of notice under section 148, as per section 149, had expired on 31.3.2022, however, notice under section 148 was issued on 29.7.2022, reassessment proceedings initiated beyond prescribed limitation period were rendered void ab initio and unsustainable in law, when these facts were confronted to the Ld. 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 Coordinate Bench of the Tribunal in the case of Harish Kumar vs. NFAC, Delhi (Supra). We hold that the notice issued u/s. 148 of the Act dated 22.07.2022 is barred by limitation. Accordingly, reassessment completed on 19.05.2023 is barred by limitation and accordingly, the same is set aside. Hence, the appeal of the assessee is allowed.

5. As far as ITA No. 6236/Del/2025 (AY 2015-16) in the case of Seema Rani Sarna is concerned, our aforesaid decision taken in ITA No. 6235/Del/2025 (AY 2015-16) in the case of Eash Kumar Sarna will apply mutatis mutandis for Appeal filed by assessee namely Seema Rani Sarna. Hence, this appeal of the assessee is also allowed in view of the aforesaid directions.

6. In the result, both the appeals of the assessee are allowed in above terms.

Order pronounced in the Open Court on 07.01.2026.

Sd/-  
**(RENU JAUHRI)**  
ACCOUNTANT MEMBER  
*SRBhatnagar*

Sd/-  
**(MAHAVIR SINGH)**  
VICE PRESIDENT

Date:12-01-2026

**Copy forwarded to: -**

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