

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCHES 'A': NEW DELHI.**

**BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER
and
SHRI S.RIFAUR RAHMAN, ACCOUNTANT MEMBER**

**ITA No.4989/Del/2025
(Assessment Year: 2014-15)**

Alok Agarwal & Sons HUF,
Tower – 18, Villa 1, La Tropicana,
Khyber Pass, Civil Lines,
Delhi – 110 054.

vs.

DCIT, Central Circle 28,
Delhi.

**(PAN : AAAHA6221R)
(APPELLANT)**

(RESPONDENT)

ASSESSEE BY : Shri Sumit Lal Chandani, Advocate
Ms. Ananya Kapoor, Advocate
Shri Shivam Yadav, Advocate
Ms. Sakshi Rustogi, Advocate
REVENUE BY : Shri Jitender Kumar, CIT DR

Date of Hearing : 13.11.2025
Date of Order : 29.01.2026

ORDER

PER S. RIFAUR RAHMAN, ACCOUNTANT MEMBER :

1. The assessee has filed appeal against the order of the Learned Commissioner of Income Tax (Appeals)-25, New Delhi ["Ld. CIT (A)", for short] dated 09.08.2025 for the Assessment Year 2014-15.
2. At the time of hearing, ld. AR of the assessee submitted that a search was conducted in the Alankit Group of cases on 18.10.2019 and he brought to our notice page 101 of the paper book wherein AO of the assessee recorded the satisfaction on 10.05.2022 by relying on the decision in the case of Shri

Harigovind vs. ACIT in W.P. Nos.23019/2023 order dated 28.10.2025 Hon'ble Madras High Court followed the decision of Jasjit Singh and held that additions beyond 6 years and before the end of the 10th year the undisclosed income in the form of assets should be more than Rs.50 lakhs, then assessment under section 153C of the Income-tax Act, 1961 (for short 'the Act') can be initiated. In this case, ld. AR of the assessee submitted a chart indicating that the satisfaction was recorded in the case of the assessee only on 10.05.2022, therefore, the searched assessment under consideration would be assessment year 2023-24. As per the chart submitted by the assessee, the assessment year under consideration falls as 10th assessment year proceeding the searched assessment year. For the sake of the brevity, the chart is reproduced below :-

CHART-A

Date of 153C Notice: 28.06.2022 i.e., AY 2023-24		
Date of satisfaction note recorded by the JAO: not mentioned,		
Therefore, we presume that the date of issuance of notice is the date of handing over of the documents.		
Relevant Assessment year for initiating proceedings under Section 153C of the Act	No. of years	Remarks, if any
2023-24	1.	
2022-23	2.	
2021-22	3.	
2020-21	4.	
2019-20	5.	
2018-19	6.	
2017-18	7.	
2016-17	8.	<i>'The aggregate amount in the relevant assessment years does not exceed the prescribed limit'</i>
2015-16	9.	
2014-15	10.	
2013-14	Time Barred	Hon'ble High Court quashed the proceedings
2012-13	Time Barred	Hon'ble High Court quashed the proceedings
2011-12	Time Barred	NA
2010-11		NA

3. Further, he submitted that the additions proposed based on the satisfaction recorded by the AO of searched person in AYs 2014-15 to 2016-17 is only Rs.35,75,427/-. As per the Fourth Proviso to section 153A, the assessment u/s 153A in the given case is beyond the jurisdiction. In this regard, he relied on the decision of Hon'ble Delhi High Court in Akshat Mittal vs. ITO in WP (C) 2329 (2024) order dated 28.05.2024 and the relevant decision is kept on record at page 34 of the case law paper book.
4. On the other hand, ld. DR of the Revenue relied on the findings of the lower authorities.
5. Considered the rival submissions and material placed on record. We observed that the AO of the assessee recorded the satisfaction based on the satisfaction recorded by the searched person only on 10.05.2022. Based on the above facts on record, the searched assessment year for the assessee is AY 2023-24. As per the Fourth Proviso to section 153A, AO can proceed to make assessment u/s 153A only upon the undisclosed assets found during 7 to 10th year over and above Rs.50 lakhs. In the given case, we observed that the amount of which the satisfaction was recorded by the AO of the searched person is only Rs.34,71,289/-. In the

case of Pratihtha Garg vs. ITO in WP (C) 1046/2024 order dated 24.05.2024, Hon'ble Delhi High Court held as under :-

“3. The issue in any case stands answered and covered in favour of the writ petitioner in light of the judgment rendered in Principal Commissioner of Income Tax Central – 1 vs. Ojjus Medicare Pvt. Ltd [2024 SCC Online Del 2439]. The relevant paragraphs of the aforesaid decision read as under:-

“G. Insofar as the thresholds put in place by virtue of the Fourth Proviso to Section 153A are concerned and the argument of the writ petitioners of the condition of INR 50 lakhs being an unwavering precondition, we find ourselves unable to sustain that submission bearing in mind the indubitable fact that proceedings for search assessment commence upon the issuance of a notice and the AO at that stage having really not had the occasion to undertake a detailed This is a digitally signed order. The authenticity of the order can be re-verified from Delhi High Court Order Portal by scanning the QR code shown above. The Order is downloaded from the DHC Server on 28/01/2026 at 10:45:23or in depth examination of the evidence collected or come to a definitive opinion with respect to the total income which may have escaped assessment . Since the computation and assessment of income that is likely to have escaped assessment would at this stage be provisional, it would be incorrect to strike down initiation of action on a mere ex facie examination of the Satisfaction Note. We also in this regard bear in mind the Fourth Proviso using the expression “amounts to or is likely to amount”. The usage of the phrase “likely to” is indicative of the Legislature being conscious of the provisional character of the opinion that the AO may have formed at that stage.

H. However, and at the same time, even if the identified asset at that stage be quantified as less than INR 50 lakhs, the AO must for reasons to be duly recorded, be of the opinion that the ultimate computation of escaped income is likely to exceed INR 50 lakhs. The aforesaid satisfaction would have to be based on an assessment of the material gathered and the potentiality of the same being indicative of the escaped assessment exceeding INR 50 lakhs. The formation of opinion in this respect would have to be based not on mere ipse dixit but reflective of a fair assessment of the quantum of

income likely to have escaped assessment as distinct from mere speculation and conjecture.

I. We further hold that since the precondition of INR 50 lakhs or more constitutes a sine qua non for initiating action for the extended ten year block, the aforesaid satisfaction and the reasons in support thereof would have to borne out from the Satisfaction Note itself . We are also of the opinion that the precondition of INR 50 lakhs is not liable to be viewed as being the qualifying criteria for each “relevant assessment year” that may be thrown open and that the said condition would stand satisfied if the escaped income cumulatively or in the aggregate meets the minimum benchmark of INR 50 lakhs.”

4. Accordingly, and for reasons assigned in our decision in Ojjus Medicare Private Limited, while we allow the instant writ petitions and quash the impugned notices issued under Section 153C of the Act dated 29 June 2022 insofar as it relates to AYs’ 2016-17, 2014-15 and 2015-16, we leave it open to the AO to examine the issue afresh bearing in mind the observations appearing in para 3 above.

5. In case the AO be of the opinion that the income alleged to have escaped assessment is likely to exceed INR 50 lakhs in the “relevant assessment year”, it would be open to it to draw proceedings afresh, if otherwise permissible in law.”

6. Respectfully following the above decision, we are inclined to allow the grounds raised by the assessee.

7. In the result, the appeal of the assessee is allowed.

Order pronounced in the open court on this 29th day of January, 2026.

**Sd/-
(SATBEER SINGH GODARA)
JUDICIAL MEMBER**

**sd/-
(S.RIFAUR RAHMAN)
ACCOUNTANT MEMBER**

Dated: 29.01.2026

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Copy forwarded to:

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

ASSISTANT REGISTRAR
ITAT, NEW DELHI