

**INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH "E": NEW DELHI
BEFORE SHRI S RIFAUR RAHMAN, ACCOUNTANT MEMBER
AND SHRI VIMAL KUMAR, JUDICIAL MEMBER**

ITA Nos. 5240 to 5242/Del/2025
Assessment Years: 2013-14 to 2015-16

Deputy Commissioner of Income Tax, Central Circle-20, New Delhi PAN No. AAICA5824D	Vs.	Alsorg Interiors India Private Limited, 182, GGI, Vikaspuri, New Delhi- 110018
(Appellant)		(Respondent)

Assessee by:	Shri Salil Aggarwal, Sr. Adv. & Shri Shailesh Gupta, Adv.
Department by:	Ms. Ankush Kalra, SR. DR
Date of Hearing:	22.12.2025
Date of pronouncement:	30.01.2026

ITA Nos. 5239/Del/2025
Assessment Years: 2012-13

Deputy Commissioner of Income Tax, Central Circle-20, New Delhi PAN No. AAICA5824D	Vs.	Alsorg Interiors India Private Limited, 182, GGI, Vikaspuri, New Delhi- 110018
(Appellant)		(Respondent)

Assessee by:	Shri Salil Aggarwal, Sr. Adv. & Shri Shailesh Gupta, Adv.
Department by:	Ms. Ankush Kalra, SR. DR
Date of Hearing:	23.12.2025
Date of pronouncement:	30.01.2026

ORDER

PER VIMAL KUMAR, JUDICIAL MEMBER:

The appeals filed by the Department of Revenue are against orders dated 30.05.2025 of Learned Commissioner of Income-Tax (Appeals)-27, New Delhi (hereinafter referred as “Ld. CIT(A)”) under Section 250 of the Income Tax Act, 1961 (hereinafter referred as “the Act”) arising out of assessment order dated 03.03.2023 of Learned Deputy Commissioner of Income Tax, Central Circle- 20, New Delhi (hereinafter referred as “Ld. AO”) under Section 143(3) of the Act for assessment years 2012-13 to 2015-16.

2. Brief facts of ITA No. 5239/Del/2025 are that the assessee is a company filed his return of income for assessment year 2012-13 on 29.12.2012 declaring total income of Rs.1,72,82,775/- which was processed under Section 143(1) of the Act,

2.1 A Search & seizure operation under Section 132 of the Act was conducted on 09.02.2022 by the Investigation Wing, Delhi on M/s. Alsorg Interiors Private Limited, wherein its various office premises were covered. The case was then centralized to this Circle vide Order dated 27.05.2022 passed under Section 127 of the Act, by the Ld. Principal CIT-1, Delhi. Subsequently, the case was selected for compulsory scrutiny as Explanation 2(i) of Section 148 of the Act. Accordingly notice, u/s 148 of the Act, dated 16.01.2023 was issued to the assessee, intimating the assessee that its case has been selected for

scrutiny. In response to notice u/s 148, the assessee filed its return of Income for AY 2012-13 dated 03.02.2023 declaring total income of Rs.1,72,82,775/-. On completion of proceedings, assessment was completed on 03.03.2023 under Section 143 r.w.s. 147 of the Act by the Ld. AO. and income was assessed at Rs.3,74,23,454/- after making addition of Rs.2,01,40,679/- on account of undisclosed income under the head Income from business and profession under Section 28 of Act. Similarly, Ld. AO passed orders dated 30.03.2023 for AYs 2013-14 to 2015-16.

3. Against orders dated 03.03.2023 of Ld. AO, the appellant/assessee filed appeals before the CIT(A) which was allowed vide order dated 30.05.2025.

4. Being aggrieved, the Department of Revenue preferred present appeals with similar grounds. The Grounds of appeal in ITA No. 5239/Del/2025 are as follows:

“1. Whether the Ld. CIT(A) has erred in allowing relief to the assessee by relying on the decision of Hon’ble Delhi High Court in Smart Chip P Ltd?

2. Whether the Ld. CIT(A) has erred in not appreciating that first proviso to Sec 149(1) only restrains the AO not to go beyond the years which could not have been re-opened u/s 148, 153A or 153C as they stood before 1.04.2021?

3. Whether the Ld. CIT(A) has erred in not appreciating that first proviso to Sec. 149(1) specifically applies to cases where notice could not have been issued at That time on account of being beyond time?

4. Whether the Ld. CIT(A) has erred in not appreciating that first proviso to Section 149(1) specifically relates to restraint placed by the legislature with respect to time?

5 (a) The order of the Ld. CIT(A) is erroneous and not tenable in law and on facts. (b) The appellant craves to add, alter or amend any/all of the grounds of appeal below or during the course of the hearing of the appeal.”

5. Learned Departmental Representative submitted that Ld. CIT(A) erred in holding the assessment order for the 10th year, the date of notice dated 16.01.2023. Income was more than Rs.50,00,000/-. Wrong reliance was placed on judgment of Hon'ble High Court of Delhi in the case of Smart Chip (P) Ltd. vs. ACIT reported in 476 ITR 389.

6. Learned Authorized Representative for the assessee submitted that Ld. CIT(A) at pages 35 to 45 of his order, held that all the captioned assessments are barred by limitation by placing reliance on the judgment of Hon'ble High Court of Delhi in the case of Smart Chip (P) Ltd. Vs ACIT reported in 476 ITR 389. Copies of notice under Section 148 dated 16.01.2023 for AY 2012-13 to 2015-16 along with Reasons recorded and approval of specified authority; Page 1 to 19 of PB. Copy of notice under Section 148 dated 16.01.2023 for AY 2013-14 along with Reasons recorded and approval of specified authority; Page 5-9 of PB. Copy of judgment of Hon'ble High Court of Delhi in the case of Smart Chip (P) Ltd. vs. ACIT reported in 476 ITR 389. Page 20-30 of PB.

7. From examination of record in light of aforesaid rival contentions, it is crystal clear that in order dated 30.05.2025, Ld. CIT(A) held the assessment order dated 03.03.2023 as barred by limitation by placing reliance on judgment of Hon'ble High Court of Delhi in Smart Chip (P) Ltd. Vs ACIT reported in 476 ITR 389.

7.1 The search and seizure operation under Section 132 of the Act conducted on 09.02.2022 at various premises. Notices under Section 148 of the Act dated 16.01.2023 for AYs 2012-13 to 2015-16 with reasons recorded and approval of specified authority were issued. On completion of proceedings, Ld. AO made additions on account of alleged unaccounted income and expenses and the income is not represented in form of an "asset" has escaped assessment. Therefore, the condition as stipulated in clause (a) of the fourth proviso to Section 153A(1) of the Act is not satisfied. The period of limitation for issuing notice under Section 153A of the Act necessarily had to be confined to a period of six AYs immediately preceding the assessment year relevant to the previous year in which search under Section 132 of the Act was conducted. As such, in view of above material facts and well-settled legal position, the grounds of appeals of Revenue being de void of merit are rejected.

8. The above decision in ITA No.5239/Del/2025 will apply mutatis mutandis in ITA Nos. 5240/Del/2025 to 5242/Del/2025 as the facts, grounds of appeals are similar.

9. In the result, all the four appeals filed by the Department of Revenue are dismissed.

Order pronounced in the open court on 30th January, 2026.

Sd/-

Sd/-

**(S RIFAUR RAHMAN)
ACCOUNTANT MEMBER**

**(VIMAL KUMAR)
JUDICIAL MEMBER**

Dated: 30/01/2026

Mohan Lal

Copy forwarded to -

1. Applicant
2. Respondent
3. CIT
4. CIT (A)
5. DR: ITAT

**ASSISTANT REGISTRAR
ITAT, New Delhi**