

**IN THE INCOME TAX APPELLATE TRIBUNAL “K(SMC)” BENCH
MUMBAI**

**BEFORE SHRI PAWAN SINGH, JUDICIAL MEMBER
AND
SHRI GIRISH AGRAWAL, ACCOUNTANT MEMBER**

**ITA No. 6462/MUM/2025
Assessment Year: 2017-18**

Devanand Amarnath Parkar Room No 3, Laxmi Niwas Chawl Meghawadi, Near Income Tax Colony, Jogeshwari East, Mumbai - 400060 (PAN: ALEPP4764F)	Vs.	Income Tax Officer 41(4)(1), Mumbai
(Appellant)		(Respondent)

Present for:

Assessee : Shri Sumit Mantri, CA
Revenue : Shri Bhagirath Ramawat, Sr. DR

Date of Hearing : 15.12.2025

Date of Pronouncement : 30.01.2026

ORDER

PER GIRISH AGRAWAL, ACCOUNTANT MEMBER:

This appeal filed by the assessee is against the order of Id. CIT(A), National Faceless Appeal Centre (NFAC), Delhi, vide order no. ITBA/NFAC/S/250/2025-26/1080924932(1), dated 19.09.2025, passed against the assessment order by National Faceless Assessment Center, New Delhi, u/s. 147 r.w.s 144B of the Income-tax Act (hereinafter referred to as the “Act”), dated 22.05.2023 for Assessment Year 2017-18.

2. Grounds taken by the assessee are reproduced as under:

1. *On the facts and circumstances of the case and law, the Ld CIT(A) grossly erred & failed to appreciate that the reopening of assessment vide notice u/s 148*

of the Act dated 30/07/2022 i.e After expiry of three years from the end of the assessment year 2017-18 without appreciating that notice under section 148 can be issued beyond 3 years only if income escapement is above 50 lacs, in fact of present case the impugned notice issued for AY 2017-18 is for income escaped below 50 lacs i.e Rs.5,72,886/-, therefore reopening is bad in law.

2. On the facts and circumstances of the case and law, the Ld CIT(A) grossly erred in not appreciating the fact that Ld. JAO issued reopening notice beyond period of three years, approval was required to be taken as per provisions of amended section 151 of the Act from Principal Chief Commissioner or Principal Director General or Chief Commissioner or Director General however approval was taken from PCIT-2.

3. On the facts and circumstances of the case and law, the Ld CIT(A) grossly erred in not appreciating the fact that Ld JAO have no jurisdiction to issue Notice u/s 148 as same had to be done in faceless manner.

4. On the facts and circumstances of the case and law, the Ld CIT(A) grossly erred in not considering the fact that the assumption of Ld. AO in issuing notice under section 148 of Income Tax Act, 1961 without mentioning the DIN Number on notice itself which is violation of CBDT Circular No. 19 of 2019 dated 14.08.2019.

5. On the facts and in the circumstances of the case and in law, the learned Commissioner of Income Tax (Appeals) erred in not appreciating that the show cause notice issued under section 148A(b), the order passed under section 148A(d), and the consequential notice issued under section 148 were all issued by an officer who did not have jurisdiction over the assessee. Hence, the entire proceedings initiated and the reassessment made pursuant thereto are void ab initio and liable to be quashed for want of jurisdiction.

6. On the facts and in the circumstances of the case and in law, the learned Assessing Officer erred in making an addition of Rs.5,72,886/- on account of the difference between the stamp duty valuation and the actual purchase consideration under section 56(2)(viib) of the Income-tax Act, without properly appreciating and considering the independent valuation report submitted by the appellant. The addition so made is unjustified, excessive, and liable to be deleted.

2.1. In this appeal by the assessee, vide ground nos.1 essentially the issue to be decided is on legal ground, challenging the validity of notice issued u/s.148 on account of being barred by limitation and therefore, consequent reassessment order passed u/s. 147 r.w.s. 144C(3) being bad in law.

3. Since the impugned notice u/s. 148 was issued under the erstwhile regime of re-assessment as provided u/s.148 r.w.s. 147 which

has undergone total revamp by the Finance Act, 2021, the amendments brought in by the Finance Act 2021 led to several jurisdictional issues in respect of reassessment proceeding for which the matter travelled up to the Hon'ble Supreme Court with the lead case of Union of India vs. Ashish Agarwal [2022] 130 taxmann.com 64 (SC) followed by the decision in the case of Union of India vs. Rajeev Bansal [2024] 167 taxmann.com 70 (SC). As a fall out of the directions given in the case of Ashish Agarwal (supra), Id. Assessing Officer in the present case complied with the same, after which an order u/s.148A(d) was passed dated 30.07.2022 recommending the reopening of the case u/s.148. Subsequent to this, notice u/s.148 was issued, dated 31.07.2022.

4. Before us, assessee is in appeal contesting on the legal issues relating to limitation aspect of the notice issued u/s.148 and order passed thereafter. We have heard both the parties on their submissions relating to legal ground. We have also perused the judicial precedents relied upon for which relevant judicial orders are placed on record.

4.1. Admitted position of fact in this case is that income chargeable to tax which escaped assessment is less than Rs.50,00,000/-, since Id. Assessing Officer has alleged that the income chargeable to tax amounting to Rs.18,08,000/- has escaped assessment. Also, it is undisputed that notice u/s.148 has been issued after the expiry of three years from the end of the relevant Assessment Year. Three years from the end of the Assessment Year 2017-18 lapsed on 31.03.2021. As per section 149(1)(b) of the Act (new regime), re-assessment proceedings could have been initiated after the expiry of three years from the end of the relevant Assessment Year only if the income chargeable to tax which escaped assessment is more than Rs.50,00,000/-. These admitted facts are relevant on the legal aspect relating to limitation for issue of notice

u/s.148 under the new regime which are undisputed and nothing has been brought on record by the Revenue to controvert the same.

4.2. To put it summarily, it is noted that the notice u/s.148 is issued on 31.07.2022, which according to the assessee is barred by limitation, since it has been issued after expiry of 3 years from the end of the relevant assessment year i.e., AY 2017-18. 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*.

4.3. Identical issue had come up before the Coordinate Bench of ITAT, Mumbai in the case of Praful Arjun Rane vs. ITO in ITA No.1046/Mum/2025, dated 30.09.2025 dealing with Assessment Year 2015-16, with the undersigned Accountant Member as the author. Detailed discussion is made in respect of applicable provisions on the issue in the present appeal as well as all the relevant judicial precedents have been discussed whereby the notice issued u/s.148 under the new regime was held to be barred by limitation and was thus, quashed resulting in the reassessment proceedings as well as the reassessment order as bad in law. Relevant extracts from the said order are reproduced for the sake of ready reference:

“7. To delve on the issue in hand before us, let us take note of the provisions contained in section 149 under the new regime introduced by the Finance Act, 2021, prescribing limitation on issue of notice u/s. 148 of the Act. Section 149 of the Act reads as under:

Time limit for notice.

149. (1) No notice under section 148 shall be issued for the relevant assessment year,-

(a) if three years have elapsed from the end of the relevant assessment year, unless the case falls under clause (b);

[(b) if three years, but not more than ten years, have elapsed from the end of the relevant assessment year unless the Assessing Officer has in his possession books of

account or other documents or evidence which reveal that the income chargeable to tax, represented in the form of-

(1) an asset;

ii) expenditure in respect of a transaction or in relation to an event or occasion; or

(iii) an entry or entries in the books of account, which has escaped assessment amounts to or is likely to amount to fifty lakh rupees or more:}]

Provided that no notice under section 148 shall be issued at any time in a case for the relevant assessment year beginning on or before 1st day of April, 2021, if 28[a notice under section 148 or section 153A or section 153C could not have been issued at that time on account of being beyond the time limit specified under the provisions of clause (b) of sub-section (1) of this section or section 153A or section 1530, as the case may be], as they stood immediately before the commencement of the Finance Act, 2021:

Provided further that the provisions of this sub-section shall not apply in a case, where a notice under section 153A, or section 153C read with section 153A, is required to be issued in relation to a search initiated under section 132 or books of account, other documents or any assets requisitioned under section 132A, on or before the 31st day of March, 2021

[Provided also that for cases referred to in clauses (i), (iii) and (iv) of Explanation 2 to section 148, where, -

(a) a search is initiated under section 132; or

b) a search under section 132 for which the last of authorisations is executed; or

(c) requisition is made under section 132A,

after the 15th day of March of any financial year and the period for issue of notice under section 148 expires on the 31st day of March of such financial year, a period of fifteen days shall be excluded for the purpose of computing the period of limitation as per this section and the notice issued under section 148 in such case shall be deemed to have been issued on the 31st day of March of such financial year:

Provided also that where the information as referred to in Explanation 1 to section 148 emanates from a statement recorded or documents impounded under section 131 or section 133A, as the case may be, on or before the 31st day of March of a financial year, in consequence of,-

(a) a search under section 132 which is initiated; or

(b) a search under section 132 for which the last of authorisations is executed; or

(c) a requisition made under section 132A, after the 15th day of March of such financial year, a period of fifteen days shall be excluded for the purpose of computing the period of limitation as per this section and the notice issued under clause (b) of section 148A in such case shall be deemed to have been issued on the 31st day of March of such financial year:}]

Provided also that for the purposes of computing the period of limitation as per this section, the time or extended time allowed to the assessee, as per show-cause notice issued under clause (b) of section 148A or the period during which the proceeding under section 148A is stayed by an order or injunction of any court, shall be excluded:

Provided also that where immediately after the exclusion of the period referred to in the immediately preceding proviso, the period of limitation available to the Assessing Officer for passing an order under clause (d) of section 148A 30[does not exceed seven days), such remaining period shall be extended to seven days and the period of limitation under this sub-section shall be deemed to be extended accordingly

Explanation. For the purposes of clause (b) of this sub-section, "asset" shall include immovable property, being land or building or both, shares and securities, loans and advances. deposits in bank account.

((1A) Notwithstanding anything contained in sub-section (1). where the income chargeable to tax represented in the form of an asset or expenditure in relation to an event or occasion of the value referred to in clause (b) of sub-section (1), has escaped the assessment and the investment in such asset or expenditure in relation to such event or occasion has been made or incurred, in more than one previous years relevant to the assessment years within the period referred to in clause (b) of sub-section (1), a notice under section 148 shall be issued for every such assessment year for assessment, reassessment or recomputation, as the case may be.]

(2) The provisions of sub-section (1) as to the issue of notice shall be subject to the provisions of section 151.)

7.1. Finance Act, 2021 amended re-assessment related provisions w.e.f. 01.04.2021. These amended provisions made a significant change in the way re-assessment proceedings are initiated and the limitation period in relation thereto. One of the key amendments is introduction of section 148A. Pursuant to section 148A, it is mandatory for the Assessing Officer to provide an opportunity of being heard to the assessee by serving a notice of show cause as to why the notice u/s. 148 should not be issued. Further, Assessing Officer is required to consider reply, if any, filed by the assessee in response to the said show cause notice. The procedural requirement contained in section 148A, for the Assessing Officer to comply with, mentions that –

- i. Assessing Officer shall conduct any enquiry, if required, with the approval of the specified authority, with respect to information which suggests that income chargeable to tax has escaped assessment.*
- ii. He shall provide an opportunity of being heard to the assessee with the prior approval of the specified authority.*
- iii. He shall consider the reply of the assessee furnished, if any in response to the show cause notice.*
- iv. He shall decide on the basis of material available on record and after considering the reply of the assessee as to fitness of the case to issue a notice u/s. 148 for which a specific order shall be passed within the stipulated time.*
- v. Thus, section 148A under the new regime of re-assessment is a provision brought on the statute which is in the nature of condition precedent to issuing of notice u/s. 148.*

7.2. Also, first proviso to section 149 under the new regime introduced by the Finance Act, 2021 prescribed limitation on issuance of notice by taking into consideration the time limit available under the old regime for the relevant assessment year. First proviso to section 149 states, "Provided that no notice u/s. 148 shall be issued at any time in a case for the relevant Assessment Year beginning on or before 1st day of April, 2021, if a notice under section 148 or section 153A or section 153C could not have been issued at that time on account of being beyond the time limit specified under the provisions of clause (b) of sub-section (1) of this section or section 153A or section 153C, as the case may be, as they stood immediately before the commencement of the Finance Act, 2021"

7.3. This proviso to section 149 provided a defense and limitation on issuance of notices under the new regime of re-assessment relating to the Assessment Years covered by the old regime. Thus, first proviso to section 149 under the new regime limits the retrospective operation to protect the interest of assessees. Section 149(1)(b) of the old regime provided a time limit of six years from the end of the relevant assessment year for issuing notice under Section 148 of the Act. For the relevant assessment year, being Assessment Year 2015-2016, 6th year expired on 31.03.2022. The notice under Section 148 of the Act, in the present case, is issued on 27.04.2022, i.e., clearly beyond the period of limitation prescribed in Section 149 read with the first proviso to the said section as per the old regime.

7.4. In the present context, we need to deliberate on the purpose of first proviso to section 149 under the new regime so as to decide on the issue raised by the assessee in the present appeal. The first proviso to Section 149 of the Act provides that no notice under Section 148 shall be issued at any point of time in a case for a relevant assessment year beginning on or before the 1st day of April 2021, if a notice under Section 148 could not have been issued at that time on account of being beyond the time limit specified under the provision of clause (b) of sub-section (1) of this Section, as it stood immediately before the commencement of the Finance Act, 2021. The purpose of the first proviso to Section 149 of the Act is consistent with the stated object of the government to make prospective amendments in the Act. Accordingly, the proviso provides that up to Assessment Year 2021-22 (period before the amendment), the period of limitation as prescribed in the erstwhile provisions of Section 149(1)(b) of the Act would be applicable and only from Assessment Year 2022-23, the period of ten years as provided in Section 149(1)(b) of the Act, would be applicable.

8. It is pertinent to take note of the observations and findings of the Hon'ble Supreme Court in the case of *Union of India and others vs. Rajeev Bansal* [2024] 167 taxmann.com 70 (SC), wherein the first proviso to section 149(1)(b) has been deliberated in detail. Relevant paragraphs are extracted below for ready reference:

“46. The ingredients of the proviso could be broken down for analysis as follows: (1) no notice under Section 148 of the new regime can be issued at any time for an assessment year beginning on or before 1 April 2021; (ii) if it is barred at the time when the notice is sought to be issued because of the "time limits specified under the provisions of 149(1)(b) of the old regime. Thus, a notice could be issued under Section 148 of the new regime for assessment year 2021-2022 and before only if the time limit for issuance of such notice continued to exist under Section 149(1)(b) of the old regime.

.....
49. The first proviso to Section 149(1)(b) requires the determination of whether the time limit prescribed under Section 149(1)(b) of the old regime continues to exist for the assessment year 2021-2022 and before. Resultantly, a notice under Section 148 of the new regime cannot be issued if the period of six years from the end of the relevant assessment year has expired at the time of issuance of the notice. This also ensures that the new time limit of ten years prescribed under Section 149(1)(b) of the new regime applies prospectively. For example, for the assessment year 2012-2013, the ten year period would have expired on 31 March 2023, while the six year period expired on 31 March 2019. Without the proviso to Section 149(1)(b) of the new regime, the Revenue could have had the power to reopen assessments for the year 2012-2013 if the escaped assessment amounted to Rupees fifty lakhs or more. The proviso limits the retrospective operation of Section 149(1)(b) to protect the interests of the assessee.

.....
53. The position of law which can be derived based on the above discussion may be summarized thus: (i) Section 149(1) of the new regime is not prospective. It also applies to past assessment years; (ii) The time limit of four years is now reduced to three years for all situations. The Revenue can issue notices under Section 148 of the new regime only if three years or less have elapsed from the end of the relevant assessment year; (iii) the proviso to Section 149(1)(b) of the new regime stipulates that

the Revenue can issue reassessment notices for past assessment years only if the time limit survives according to Section 149(1)(b) of the old regime, that is, six years from the end of the relevant assessment year, and (iv) all notices issued invoking the time limit under Section 149(1)(b) of the old regime will have to be dropped if the income chargeable to tax which has escaped assessment is less than Rupees fifty lakhs.

9. Similar issue had come up before the Hon'ble Jurisdictional High Court of Bombay in the case of *Hexaware Technologies Ltd. vs. ACIT in Writ Petition No.1778 of 2023, dated 03.05.2024, wherein Hon'ble Court while dealing with the provisos to section 149(1)(b) under the new regime for the Assessment Years covered by the erstwhile provisions of section 149(1) observed that the section has to be interpreted so as to give meaning to all the words and phrases used in the said section. It could not be interpreted in such a way so as to render any part or phrase in the said section otiose. According to the Hon'ble Court, terms "at that time" in the first proviso refers to the date on which notice u/s.148 is to be issued by the Assessing Officer. The term "at that time" has to refer to the term "at any time" used earlier in the said proviso. According to the Hon'ble Court the reference to "at any time" is to the date of the notice to be issued by the Assessment officer and therefore, the term "at that time" would also refer to the said date. Thus, on the said date, if a notice could not have been issued under the provision of section 149(1)(b) of the old regime for any Assessment Year beginning on or before 01.04.2021, the notice cannot be issued even under the new regime.*

9.1. *Hon'ble Court took into consideration the stand of the Revenue to interpret the first proviso to section 149 of the Act to be applicable only for Assessment Years 2013-14 and 2014-15, i.e., for the Assessment Years where the period of limitation has already expired on 01.04.2021 which was held to be not correct because that would render the first proviso to section 149 under a new regime redundant and otiose. According to the Hon'ble Court, if such a stand of the Revenue is accepted then, it would amount to re-writing the proviso to section 149(1)(b). Hence such an interpretation as canvassed by the Revenue is clearly not permissible in law. Hon'ble Court thus, concluded that the first proviso to section 149(1)(b) is an exception to the period of limitation and provides for a restriction on the notices issued u/s.148 which are issued for Assessment Years up to 2021-22 beyond a certain date. It also took into account the extension of time as contained in fifth and sixth proviso to section 149(1)(b) while concluding on the period of limitation available for issuing the notice u/s.148. Hon'ble Court, thus concluded that if a notice is not issued within the time prescribed under the first proviso to section 149(1)(b) then, such period cannot be extended by fifth proviso and sixth proviso.*

9.2. *Relevant paragraph is extracted below:*

"30. With respect to applicability of the fifth proviso and the sixth proviso to Section 149(1)(b) of the Act for extension of limitation for issuing the notice under Section 148 of the Act, fifth and sixth provisos are only applicable with respect to the period of limitation prescribed in Section 149(1) of the Act, i.e., three years or ten years, as the case may be. Fifth proviso or sixth proviso extend limitation for issuing notice under Section 149 of the Act, however, the first proviso is an exception to the period of limitation and provides for a restriction on the notices under Section 148 being issued for Assessment Years upto 2021-22 beyond a certain date. Therefore, the way the Section would operate, is first to decide whether a notice issued under Section 148 of the Act is within the period of limitation in terms of Section 149(1)(a) or (b) of the Act. To decide whether the notice is within the period of limitation under Section 149(1)(a) or (b) of the Act, the extension of time as per the fifth and/or sixth proviso would be considered. Once, the notice is otherwise within the period of limitation, thereafter one has to see whether the said time limit is within the restriction provided in the first proviso or not. If the notice is beyond the restriction period, the notice is invalid. The fifth and/or the sixth proviso cannot apply at this stage to extend the period of restriction as per the first proviso. Hence, if a notice is not within the time prescribed under the first proviso to Section 149(1) of the Act, then such period cannot be extended by fifth proviso and sixth proviso.

10. In this background from the perusal of provisions contained in section 149(1), we note that it states that no notice u/s.148 shall be issued for the relevant Assessment Year prescribing the conditions and time limit. It does not refer to show cause notice/s.148A(b). The first proviso to section 149(1)(b) also carves out an exception to the limitation in respect of notice u/s.148 and not under section 148A(b). Further, Hon'ble High Court of Bombay in the case of Hexaware Technologies Ltd. (supra) in para-30 has categorically held that if a notice u/s.148 is not with the time prescribed under the first proviso to section 149(1)(b) then, such period cannot be extended by fifth proviso and sixth proviso to the said section.

10.1. Admittedly, the undisputed fact in the present case is that impugned notice issued u/s.148 is dated 27.04.2022 which is after the limitation expired on 31.03.2022 within the meaning of first proviso to section 149(1)(b). In view of the above stated deliberations, on the factual matrix of the present case and the applicable law including the jurisprudence discussed above, we hold that notice for Assessment Year 2015-16 issued on 27.04.2022 u/s.148 of the new regime is barred by limitation and hence bad in law, liable to be quashed, resulting in impugned re-assessment proceedings as well as the impugned assessment order bad in law.

11. Also, we find that this issue has been settled in the case of Union of India v. Rajeev Bansal [2024] 167 taxmann.com 70 (SC) wherein reference is made to the submissions made on behalf of the Revenue vide para 19 which is relevant and the same is reproduced hereunder:-

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

- a. Parliament enacted TOLA as a free-standing legislation to provide relief and relaxation to both the assesseees and the Revenue during the time of COVID- 19. TOLA seeks to relax actions and proceedings that could not be completed or complied with within the original time limits specified under the Income Tax Act,
- b. Section 149 of the new regime provides three crucial benefits to the assesseees: (i) the four-year time limit for all situations has been reduced to three years, (ii) the first proviso to Section 149 ensures that re-assessment for previous assessment years cannot be undertaken beyond six years, and (iii) the monetary threshold of Rupees fifty lakhs will apply to the re- assessment for previous assessment years,
- c. The relaxations provided under Section 3(1) of TOLA apply "notwithstanding anything contained in the specified Act." Section 3(1), therefore, overrides the time limits for issuing a notice under Section 148 read with Section 149 of the Income Tax Act;
- d. TOLA does not extend the life of the old regime. It merely provides a relaxation for the completion or compliance of actions following the procedure laid down under the new regime;
- e. The Finance Act 2021 substituted the old regime for re-assessment with a new regime. The first proviso to Section 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 Section 149(1)(b) is read with TOLA, then all the notices issued between 1 April 2021 and 30 June 2021 pertaining to assessment years 2013-2014, 2014-2015, 2015-2016, 2016-2017 and 2017-2018 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)
2013-2014	31.03.2017	TOLA not applicable	31.03.2020	30.06.2021

2014-2015	31.03.2018	TOLA applicable	not	31.03.2021	30.06.2021
2015-2016	31.03.2019	TOLA applicable	not	31.03.2022	TOLA applicable
2016-2017	31.03.2020	30.06.2021		31.03.2023	TOLA applicable
2017-2018	31.03.2021	30.06.2021		31.03.2024	TOLA applicable

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

g. Section 2 of TOLA defines "specified Act" to mean and include the Income Tax Act. The new regime, which came into effect on 1 April 2021, is now part of the Income Tax Act. Therefore, TOLA continues to apply to the Income Tax Act even after 1 April 2021; and

h. Ashish Agarwal (*supra*) treated Section 148 notices issued by the Revenue between 1 April 2021 and 30 June 2021 as show-cause notices in terms of Section 148A(b). Thereafter, the Revenue issued notices under Section 148 of the new regime between July and August 2022. Invalidation of the Section 148 notices issued under the new regime on the ground that they were issued beyond the time limit specified under the Income Tax Act read with TOLA will completely frustrate the judicial exercise undertaken by this Court in Ashish Agarwal (*supra*).

11.1. Thus, it can be seen that Revenue conceded before the Hon'ble Supreme Court in para 19(f) for dropping all the notices issued on or after 01.04.2021 for A.Y. 2015-16 as they will not fall for completion during the period prescribed under TOLA.

12. This issue had come up before the Hon'ble Delhi High Court in the case of IBIBO Group Pvt. Ltd. vs. ACIT, WP(C) 17639 of 2022, dated 13.12.2024 wherein re-assessment action for Assessment Year 2015-16 was held to be not sustainable. Hon'ble Court quashed the notice issued u/s.148 as well as order passed u/s. 148A(d), dated 23.07.2022 for Assessment Year 2015-16 by following the decision in the case of Rajeev Bansal (*supra*).

12.1. In the case of present assessee, since the notice issued u/s.148 is dated 27.04.2022, period of six years expired on 31.03.2022 and is thus barred by limitation. Accordingly, notice so issued and re-assessment completed thereafter u/s. 147 is liable to be quashed, in view of the decision of Hon'ble Supreme Court in the case of Rajeev Bansal (*supra*) which was followed by Hon'ble Delhi High Court in the case of IBIBO (*supra*).

12.2. Hon'ble Supreme Court while dismissing the SLP filed by Revenue in the case of ACIT vs. Nehal Ashit Shah in SLP (Civil) Diary No(s). 57209/2024, dated 04.04.2025 held that it does not survive for further consideration. While holding so, Hon'ble Court noted in para 5 as under:

"5. In this regard, reference could also be made to paragraph 19(e) and (f) in the case of Union of India vs. Rajeev Bansal, Civil Appeal No.8629 of 2024 on 03.10.2024 (2024 SCC ONLINE 754) under which the learned Additional Solicitor General for India has made a concession insofar as the assessment year 2015-16 is concerned."

12.3. In view of above stated deliberation, both on facts and law including the applicable jurisprudence, we hold that notice for A.Y. 2015-16 issued on 27.04.2022 u/s 148 of the new regime is barred by limitation and hence bad in law, liable to be quashed,

resulting in impugned reassessment proceedings as well as the impugned reassessment order bad in law. Accordingly, additional ground raised by the assessee is allowed.

5. There being no change in the relevant fact as in the present case, notice u/s.148 is issued on 31.07.2022 which falls beyond the period of three years from the end of the relevant Assessment Year. Respectfully, following the above jurisprudence, we hold that notice for AY 2017-18, dated 31.07.2022 u/s. 148 is barred by limitation and hence, bad in law, liable to be quashed. Accordingly, the resultant reassessment proceeding as well as reassessment order are held to be bad in law, which are also quashed. Thus, ground no. 1 raised by the assessee in this respect is allowed.

5.1. Since legal issue raised by the assessee is held in favour of the assessee, grounds raised on the merits of the case needs no separate adjudication.

6. In the result, appeal by the assessee is allowed.

Order is pronounced in the open court on 30 January, 2026

Sd/-
(Pawan Singh)
Judicial Member

Sd/-
(Girish Agrawal)
Accountant Member

Dated: 30 January, 2026

MP, Sr.P.S.

Copy to :

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BY ORDER,

(Dy./Asstt.Registrar)
ITAT, Mumbai