

आयकर अपीलीय अधिकरण, हैदराबाद पीठ
IN THE INCOME TAX APPELLATE TRIBUNAL
Hyderabad ' SMC ' Bench, Hyderabad

श्री रविश सूद, न्यायिक सदस्य एवं श्री मधुसूदन सावड़िया लेखा सदस्य समक्ष।
Before Shri Ravish Sood, Judicial Member
A N D
Shri Madhusudan Sawdia, Accountant Member

आ.अपी.सं / **ITA No.1780/Hyd/2025**
(निर्धारण वर्ष/Assessment Year: 2017-18)

Smt. Putha Bhagya Lakshmi KADAPA PAN:AMXPP6295K (Appellant)	Vs.	Income Tax Officer Ward 15(1) Hyderabad (Respondent)
निर्धारित द्वारा/Assessee by:		Advocate SNSR Chinmai
राजस्व द्वारा/Revenue by:		Shri A. Suresh, Sr. AR
सुनवाई की तारीख/Date of hearing:		17/03/2026
घोषणा की तारीख/Pronouncement:		27/03/2026

आदेश/ORDER

Per Madhusudan Sawdia, A.M.:

This appeal is filed by Smt. Putha Bhagya Lakshmi ("the assessee"), feeling aggrieved by the order passed by the Learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi ("Ld. CIT(A)") dated 25.07.2025 for the A.Y.2017-18.

2. At the outset, it is seen from the record that there is a delay of 29 days in filing the present appeal before this Tribunal. The assessee has filed a petition for condonation of delay along with an affidavit explaining the reasons for such delay. In this regard, the Learned Authorized Representative ("Ld. AR") submitted that the appeal before the Tribunal was required to be filed on or before 30.09.2025, however, the same has been filed on 29.10.2025 resulting in a delay of 29 days. It was further submitted that during the relevant period, the assessee was suffering from cervical spondylosis and was advised complete bed rest for a period of one month. In support of the same, the assessee has placed on record a medical certificate. The Ld. AR submitted that the delay was neither deliberate nor intentional but was due to circumstances beyond the control of the assessee and therefore prayed that the delay may kindly be condoned.

3. The Learned Departmental Representative ("Ld. DR") did not raise any serious objection to the condonation of delay.

4. We have considered the submissions of both the parties and perused the material available on record including the affidavit and medical certificate filed by the assessee. We find that the assessee was prevented by sufficient cause in filing the appeal within the prescribed time limit. The explanation offered by the assessee appears to be bona fide and reasonable. Further, the delay involved is not substantial. It is a settled principle of law that substantial justice should prevail over technical considerations, and when sufficient cause is shown, a liberal view

should be taken in condoning the delay. Accordingly, in the interest of justice, we condone the delay of 29 days in filing the appeal and admit the appeal for adjudication on merits.

5. The assessee has raised the following grounds of appeal.

“1) The order of the learned CIT (A) is erroneous both on facts and in law;

2) The learned CIT (A) ought to have seen that the notice u/s 148 issued by the Assessing Officer is not valid as the same was issued by the Income Tax Officer, Ward-1, Kadapa who has no jurisdiction;

3) The learned CIT (A) ought to have seen that the notice u/s 148 issued by the Assessing Officer is also not valid in view of the provisions of Sec.149 of the I.T. Act ;

4) The learned CIT (A) ought to have seen that the notice u/s 148 was issued after a period of 3 years and the income escaping assessment is less than Rs.50 lakhs;

5) The learned CIT (A) ought to have found that the notice u/s 147 is not valid and ought to have quashed the assessment order;

6) The learned CIT (A) erred in confirming the action of the Assessing Officer in making addition of Rs.16,64,000/- being the deposit made with Kapil Chit Funds Private Ltd., without considering the detailed explanation submitted before him.

7) Any other ground/grounds that may be urged at the time of hearing”.

6. The assessee also raised the following additional grounds before us:

“1. The notice under section 148 dated 21.06.2021 issued after a period of three years with the approval of the JCIT, Range-9 Hyderabad is invalid.

2. The notice under section 148 dated 28.07.2022 got barred by limitation as it is not issued within time allowed and also the

approval of CCIT or the Principal CCIT is not obtained for issue of the said notice.

3. Without prejudice to the above contention, the appellant submits that the rate of tax applied under section 115BBE @ 60% is applicable for the A.Y 2017-18. The tax is leviable @ 30%”.

7. The Ld. AR submitted that additional grounds so filed are admissible in view of judgment rendered by the Hon'ble Supreme Court in the case of National Thermal Power Co. Ltd. v. CIT (1998) 229 ITR 383 (SC). The Ld. DR also did not make any objection for admission of the additional grounds. The prayer for admission of additional grounds noted above which are not in memorandum of appeal are being admitted for adjudication in terms of Rule 11 of the Income Tax (Appellate Tribunal) Rules, 1963 owing to the fact that objections raised in additional grounds are legal in nature for which relevant facts are stated to be emanating from the existing records.

8. The brief facts of the case are that the assessee is an individual who filed return of income for the Assessment Year 2017-18 under section 139 of the Income Tax Act, 1961 (“the Act”) on 21.03.2018 declaring total income of Rs.3,75,000/-. Subsequently, the case of the assessee was reopened under section 147 of the Act. Thereafter, the Learned Assessing Officer (“Ld. AO”) completed the reassessment under section 147 read with section 144B of the Act vide order dated 15.05.2023, making an addition of Rs.16,64,000/- under section 69 of the Act and assessed the total income of the assessee at Rs.20,39,000/-.

9. Aggrieved by the order of the Ld. AO, the assessee preferred an appeal before the Ld. CIT(A). The Ld. CIT(A), after considering the submissions of the assessee, dismissed the appeal of the assessee and upheld the action of the Ld. AO.

10. Aggrieved by the order of the Ld. CIT(A), the assessee is in appeal before this Tribunal. At the time of hearing, the Ld. AR submitted that the assessee is pressing only ground no. 2 of additional ground challenging the validity of notice issued under section 148 of the Act on the ground that the same is barred by limitation, being issued beyond the surviving period as explained by the Hon'ble Supreme Court in the case of Union of India vs. Rajeev Bansal [2024] 469 ITR 46 (SC). In this regard, the Ld. AR submitted that the validity of reassessment proceedings is liable to be examined in light of the law laid down by the Hon'ble Supreme Court in the case of Union of India vs. Rajeev Bansal (Supra), wherein it has been held that reassessment notices issued after 01.04.2021 pursuant to the decision of the Hon'ble Supreme Court in the case of Union of India vs. Ashish Agarwal (2022) 444 ITR 1 (SC) must be issued within the "surviving period" computed with reference to TOLA. The Ld. AR invited our attention to the computation of limitation period placed on record and submitted that the surviving period available to the Ld. AO expired on 25.06.2022, whereas the notice under section 148 of the Act has been issued on 28.07.2022, i.e., beyond the permissible time limit. Therefore, the Ld. AR submitted that as the notice under section 148 of the Act is issued beyond the surviving period, the same is

liable to be treated as time-barred and invalid. Accordingly, the assessment order passed by the Ld. AO on the basis of the said invalid notice is liable to be quashed. In this regard, the Ld. AR relied on the decision of the Coordinate Bench of the Chennai Tribunal in the case of Smt. Lakshmi Narasimhan Santhi vs. ACIT in ITA No. 3013/Chny/2024, dated 3.7.2025, wherein under identical facts, the Tribunal has allowed the appeal of the assessee.

11. Per contra, the Ld. DR relied upon the orders of the lower authorities and submitted that the Ld. AO has followed due procedure as per the amended provisions and the directions of the Hon'ble Supreme Court in the case of Union of India vs. Ashish Agarwal (Supra). In this regard, the Ld. DR has filed a written submission, which is to the following effect:

The appellant has filed her response to Notice u/s 148A(b) notice on 16.06.2022. The contention of the appellant is that the last date for issuing notice u/s 148 is 25.06.2022 whereas the actual date of issuance of notice u/s 148 is 28.07.2022 and hence the notice is time barred by 33 days.

In this regard, reference is invited to the section 148A(d) of the Income Tax Act 1961, which is reproduced hereunder:

Section 148A(d) in The Income Tax Act, 1961

“(d)decide, on the basis of material available on record including reply of the assessee, whether or not it is a fit case to issue a notice under section 148, by passing an order, with the prior approval of specified authority, within one month from the end of the month in which the reply referred to in clause (c) is received by him, or where no such reply is furnished, within one month from the end of the month in which time or extended time allowed to furnish a reply as per clause (b) expires:”

In view of the above, since the appellant has furnished her reply on 16.06.2022, the time limit for issuance of notice u/s 148 will be 31.07.2022 i.e. one month from the end of the month in which reply from the appellant was received.

In this case, the notice u/s 148 was issued on 28.07.2022 i.e. well within the due date.

Submitted for kind perusal and consideration.

12. We have heard the rival submissions and perused the material available on record including the case laws relied upon. The solitary issue before us for consideration is whether the notice issued under section 148 of the Act is barred by limitation in view of the law laid down by the Hon'ble Supreme Court in the case of Union of India vs. Rajeev Bansal (Supra). In this regard, we have gone through para nos. 108 to 114 of the decision of the Hon'ble Supreme Court in the case of Union of India vs. Rajeev Bansal (Supra), which is to the following effect:

108. The Income-tax Act read with TOLA extended the time limit for issuing reassessment notices under section 148, which fell for completion from 20 March 2020 to 31 March 2021, till 30 June 2021. All the reassessment notices under challenge in the present appeals were issued from 1 April 2021 to 30 June 2021 under the old regime. *Ashish Agarwal (supra)* deemed these reassessment notices under the old regime as show cause notices under the new regime with effect from the date of issuance of the reassessment notices. The effect of creating the legal fiction is that this Court has to imagine as real all the consequences and incidents that will inevitably flow from the fiction. *East End Dwellings Co. Ltd. v. Finsbury Borough Council* [1952] AC 109. [Lord Asquith, in his concurring opinion, observed: "If you are bidden to treat an imaginary state of affairs as real, you must surely, unless prohibited from doing so, also imagine as real the consequences and incidents which, if the putative state of affairs had in fact existed, must inevitably have flowed from or accompanied it."] Therefore, the logical effect of the creation of the legal fiction by *Ashish Agarwal (supra)* is that the time surviving under the Income-tax Act read with TOLA will be available to the Revenue to complete the remaining proceedings in furtherance of the deemed notices, including issuance of reassessment notices under section 148 of the new regime. The surviving or balance time limit can be calculated by computing the number of days between the date of issuance of the deemed notice and 30 June 2021.

109. If this Court had not created the legal fiction and the original reassessment notices were validly issued according to the provisions of the new regime, the notices under section 148 of the new regime would have to be issued within the time limits extended by TOLA. As a corollary, the reassessment notices to be issued in pursuance of the deemed notices must also be within the time limit surviving under the Income-tax Act read with TOLA. This construction gives full effect to the legal fiction created in *Ashish Agarwal (supra)* and enables both the assesses and the Revenue to obtain the benefit of all consequences flowing from the fiction. See *State of A P v. A P Pensioners Association* [2005] 13 SCC 161. [This Court observed that the "legal fiction undoubtedly is to be construed in such a manner so as to enable a person, for whose benefit such legal fiction has been created, to obtain all consequences flowing therefrom."]

110. The effect of the creation of the legal fiction in *Ashish Agarwal (supra)* was that it stopped the clock of limitation with effect from the date of issuance of Section 148 notices under the old regime [which is also the date of issuance of the deemed notices]. As discussed in the preceding segments of this judgment, the period from the date of the issuance of the deemed notices till the supply of relevant information and material by the assessing officers to the assesses in terms of the directions issued by this Court in *Ashish Agarwal (supra)* has to be excluded from the computation of the period of limitation. Moreover, the period of two weeks granted to the assesses to reply to the show cause notices must also be excluded in terms of the third proviso to Section 149.

111. The clock started ticking for the Revenue only after it received the response of the assesses to the show cause notices. After the receipt of the reply, the assessing officer had to perform the following responsibilities: (i) consider the reply of the assessee under section 149A(c); (ii) take a decision under section 149A(d) based on the available material and the reply of the assessee; and (iii) issue a notice under section 148 if it was a fit case for reassessment. Once the clock started ticking, the assessing officer was required to complete these procedures within the surviving time limit. The surviving time limit, as prescribed under the Income-tax Act read with TOLA, was available to the assessing officers to issue the reassessment notices under section 148 of the new regime.

112. Let us take the instance of a notice issued on 1 May 2021 under the old regime for a relevant assessment year. Because of the legal fiction, the deemed show cause notices will also come into effect from 1 May 2021. After accounting for all the exclusions, the assessing officer will have sixty-one days [days between 1 May 2021 and 30 June 2021] to issue a notice under section 148 of the new regime. This time starts ticking for the assessing officer after receiving the response of the assessee. In this instance, if the assessee submits the response on 18 June 2022, the assessing officer will have sixty-one days from 18 June 2022 to issue a reassessment notice under section 148 of the new regime. Thus, in this illustration, the time limit for issuance of a notice under section 148 of the new regime will end on 18 August 2022.

113. In *Ashish Agarwal (supra)*, this Court allowed the assesses to avail all the defences, including the defence of expiry of the time limit specified under section 149(1). In the instant appeals, the reassessment notices pertain to the assessment years 2013-2014, 2014-2015, 2015-2016, 2016-2017, and 2017-2018. To assume jurisdiction to issue notices under section 148 with respect to the relevant assessment years, an assessing officer has to: (i) issue the notices within the period prescribed under section 149(1) of the new regime read with TOLA; and (ii) obtain the previous approval of the authority specified under section 151. A notice issued without complying with the preconditions is invalid as it affects the jurisdiction of the assessing

officer. Therefore, the reassessment notices issued under section 148 of the new regime, which are in pursuance of the deemed notices, ought to be issued within the time limit surviving under the Income-tax Act read with TOLA. A reassessment notice issued beyond the surviving time limit will be time-barred.

G. Conclusions

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 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 a reassessment notice under section 148;
- d. TOLA will extend the time limit for the grant of sanction by the authority specified under section 151. The test to determine whether TOLA will apply to Section 151 of the new regime is this: if the time limit of three years from the end of an assessment year falls between 20 March 2020 and 31 March 2021, then the specified authority under section 151(i) has extended time till 30 June 2021 to grant approval;
- e. In the case of Section 151 of the old regime, the test is: if the time limit of four years from the end of an assessment year falls between 20 March 2020 and 31 March 2021, then the specified authority under section 151(2) has extended time till 31 March 2021 to grant approval;
- f. The directions in *Ashish Agarwal (supra)* will extend to all the ninety thousand reassessment notices issued under the old regime during the period 1 April 2021 and 30 June 2021;
- g. The time during which the show cause notices were deemed to be stayed is from the date of issuance of the deemed notice between 1 April 2021 and 30 June 2021 till the supply of relevant information and material by the assessing officers to the assesses in terms of the directions issued by this Court in *Ashish Agarwal (supra)*, and the period of two weeks allowed to the assesses to respond to the show cause notices; and
- h. The assessing officers were required to issue the reassessment notice under section 148 of the new regime within the time limit surviving under the Income-tax Act read with TOLA. All notices issued beyond the surviving period are time barred and liable to be set aside;

13. On perusal of the above, we find that the Hon'ble Supreme Court has given the mechanism for calculation of the surviving period and finally at para no. 114(h) has held that all the notices issued beyond the surviving period are time barred and liable to be set aside. In this regard, we have gone through the computation of the surviving period placed before us by the assessee, which is to the following effect:

**CALUCLATION OF TIME LIMIT FOR ISSUING NOTICE U/s 148 APPLYING THE RATIO OF
RAJEEV BANSAL CASE (SC)**

Sl	PARTICULARS	COMPUTATION	DATES
1	Date of issue of Original Notice u/s 148 within TOLA Period	A	21.06.2021
2	Last date of TOLA	B	30.06.2021
3	Balance (On Inclusive method)	C =B-A	9
4	Minimum days available as per 4th Proviso of Section 149(1)	D	7
5	Then SURVIVING PERIOD (Para-108 to 113 of Rajeev Bansal)	E (Higher of C & D)	9
6	Date of response filed by Appellant to 148A(d) notice	F	16.06.2022
7	Date on which Period of two weeks allowed to assessee to respond to notice ends (deemed stay as per 3rd proviso to section 149 and Para 114 (g) of Rajeev Bansal)	G	09.06.2022
8	Last date for issuing notice u/s 148 [i.e., 16.06.2022+ 9 days]	H =E + G	25.06.2022
9	Actual date of issuance of notice u/s 148	H	28.07.2022
10	Then Notice is time Barred by (Para 114 (H of Rajeev Bansal)	I =H - G	33 days

14. On perusal of the above, we find that the assessee has given dates of various events necessary for computation of surviving period and has calculated the limitation period for issue of notice under section 148 of the Act in accordance with the decision of the Hon'ble Supreme Court in the case of Union of India vs. Rajeev Bansal (Supra). The Revenue has not disputed the factual aspect with regard to the date of the said events. We also do not find any mistake in the said computation of surviving period and the limitation period for issue of notice under section 148 of the Act in accordance with the decision of the Hon'ble Supreme Court in the case of Union of India vs. Rajeev Bansal (Supra). Accordingly, we find that in the present case the surviving period available to the Ld. AO was 9 days. After

excluding the period as per the third proviso to section 149 of the Act and the directions of the Hon'ble Supreme Court, the last permissible date for issuance of notice under section 148 of the Act was 25.06.2022. However, the notice under section 148 of the Act has been issued on 28.07.2022, which is beyond the surviving period by 33 days. In this regard, we have also gone through paras nos. 10 to 17 of the decision of the Coordinate Bench of the Chennai Tribunal in the case of Smt. Lakshmi Narasimhan Santhi vs. ACIT (Supra), which is to the following effect:

10. The Submission made before us is that the notice issued u/s 148 of the Act dated 28.07.2022, for AY-2013-14, in the case of the assessee is time barred as it was issued beyond the surviving period as specified in the case of *Rajeev Bansal (supra)*. The relevant dates in the case of assessee are as follows:-

Serial	Particulars	Date
1)	Date of issue of Notice u/s 148 of OLD regime during the period 01.04.2021 to 30.06.2021	30.21.2021
2)	Date of supply of information as per judgment of Asish Agarwal	02.22.2022
3)	Date of reply filed by the Assessee for the above	11.06.2022
4)	Date of passing of order u/s 148A(d)	08.77.0022
5)	Date of issue of notice u/s 148 of New Regime	28.07.2022

11. The manner of computation of surviving period and limitation, as provided in case of *Rajeev Bansal (supra)*, are as follows:

1st. Surviving period is calculated by computing the number of days between the date of issuance of the deemed notice and 30th June, 2021 (Para-108)

2nd. The surviving period starts ticking from the date of receipt of response by AO (Para-111 & 112)

3rd. The AO has to consider response of the Assessee u/s 148A(c), pass order u/s 148A(d) and issue notice u/s 148 of New regime, all these procedures has to happen within the surviving period (Para-111)

4th. Only notices issued within the surviving period calculated from the date of receipt of response by AO is valid. The notices issued beyond surviving period is time barred and liable to be set-aside (Para-113 and 114(g) & 114(h))

12. Applying the above principles laid down by the Hon'ble Supreme Court to the facts of the instant case and adopting a conservative computation, notice issued u/s.148 of the Act will time barred by 35 days as detailed below (The judgment of Hon'ble Apex Court in the case of *Rajeev Bansal, supra* does not specify the application of fourth proviso of section 149(1), which governs time limit for notice u/s.148 of the Act. Still in the below computation, we have taken the outer limit of 7 days extension)

Serial	PARTICULARS	COMPUTATION	DESES
1	Date of issue of Original Notice u/s 148 within TOLA Period	A	30-06-2021
2	Last date of TOLA	B	-2-26-2021
3	Balance (On Inclusive method)	C =B-A	1
4	Minimum days available as per 4th Proviso of Section 149(1)	D	7
5	Then SURVIVING PERIOD (Para-108 to 113 of <i>Rajeev Bansal</i>)	E (Higher of C & D)	7
6	Date of response filed by Appellant to 148A(b) notice	F	11-06-2022
7	Date on which Period of two weeks allowed to assessee to respond to notice ends (deemed stay as per 3rd proviso to section 149 and Para 114 (g) of <i>Rajeev Bansal</i>)	G	16-06-2022
8	Last date for issuing notice u/s 148 [i.e., 16.06.2022+ 7 days]	H =E + G	23-06-2022
9	Actual date of issuance of notice u/s 148	H	-2-22-2022
10	Then Notice is time Barred by (Para 114 (H) of <i>Rajeev Bansal</i>)	I =H - G	35

13. The judicial precedents upholding the above proposition are as follows:-

- i. Judgment of Jurisdictional Madras High Court in *Mrs. Thulasidass Prabavathi v. Income Tax Officer* [2025] 174 taxmann.com 508/W.P.No.19010 of 2022] (Para-16 & 17)
- ii. Judgment in *ACIT v. Amit Jain* [2025] 170 taxmann.com 2/303 Taxman 163 (SC)/(Civil) Diary No.32211 (Para-2 to 4)
- iii. Judgment of *KULWANT SINGH v. UNION OF INDIA* [CWP No. 18032 of 2024, dated 19-10-2024] (Para-6 & 8)
- iv. Judgment of Delhi High Court in *Ram Balram Buildhome (P.) Ltd. v. Income-tax Officer* [2025] 171 taxmann.com 99 (Delhi)/W.P.(C) 16232/2024]/(2025) 9 NYPCTR 157 (Delhi)) (Para-65 to 73)
- v. Judgment of Delhi High Court in *Kanwaljeet Kaur v. Assistant Commissioner of Income-tax* [2025] 171 taxmann.com 174 (Delhi)/W.P.(C) 3908/2023] (Para-24 & 28)
- vi. Order of ITAT Raipur in *Kachrural Jitendra Kumar v. ITO* [IT Appeal No. 307 (RPR) of 2024, dated 05.02.2025] (Para-23 to 25)
- vii. Order of ITAT Raipur in *Dy. CIT v. Vinay Agrawal* [IT Appeal No. 29 & 30 (RPR) of 2025, dated 17-2-2025] (Para-19 & 20)
- viii. Order of ITAT Mumbai in *ACIT v. Ramchand Thakurdas Jhamtani* [2025] 174 taxmann.com 783 (Mumbai - Trib.) (Para-9 & 10)
- ix. Order of ITAT Mumbai in *ITO v. Sumitra Rajeshbhai Jain* [IT Appeal No. 2459 (Mum) of 2024, dated 6.03.2025] (Para-22 & 23)
- x. Order of ITAT Mumbai in *Nilanjana Arvinder Singh v. DCIT* [2025] 173 taxmann.com 499 (Mumbai - Trib.)/ITA No.6140/MUM/2024] (Para-30 & 31)
- xi. Order of ITAT Mumbai, in *DCIT v. Larsen & Toubro Ltd* [ITA No-5743 & 5745 of 2024]/[2025] 173 taxmann.com 582 (Mumbai - Trib.) (para-10.2)
- xii. Order of ITAT Pune in *DCIT v. Kolte Patil* [2025] 235 TTJ 113 (Pune)/[ITA Nos. 2011 & 2023/pune/2024; Asst. yrs. 2014-15 & 2016-17]/: (2025) 39 NYPTTJ 552 (Pune) (Para-45)

14. The above judicial precedents have categorically upheld the above proposition and has held the notice to be time barred if they are beyond surviving period. We notice that ITAT Pune SMC Bench, in the case of *Pushpadevi Shivalal Rathi v. ITO* [IT Appeal No. 1995 (Pun.) of 2024, dated 04-12-2024] for AY-2014-15, had held against the assessee. However, subsequently co-ordinate Bench of ITAT Pune in the case of *Kolte Patil (supra)* had decided the issue in favour of assessee.

15. On perusal of above, we find that the Coordinate Bench of the Chennai Tribunal in the case of *Smt. Lakshmi Narasimhan Santhi vs. ACIT (Supra)* under the identical facts relying on the decision of the Hon'ble Madras High Court in the case of *Mrs. Thulasidass Prabavathi vs. ITO* (W.P No.19010 of 2022) and the judgement of the Hon'ble Delhi High Court in the case of *Ram Balram Buildhome Pvt. Ltd vs. ITO & Ors* (W.P.C. 16232/2024) has held that the notice under section 148 of the Act issued after the surviving period is time barred and reassessment order pursuant to the same is set aside. In the

present case, we have already held that the notice under section 148 of the Act dated 28.07.2022 is beyond the surviving period by 33 days. Therefore, respectfully following the precedent laid down by the Hon'ble Supreme Court in the case of Union of India vs. Rajeev Bansal (Supra), and the Coordinate Bench of the Chennai Tribunal in the case of Smt. Lakshmi Narasimhan Santhi vs. ACIT (Supra), we hold that the notice under section 148 of the Act dated 28.07.2022 is time barred and bad in law. Once the notice itself is held to be invalid, the entire reassessment proceedings including the order passed under section 147 read with section 144B of the Act cannot survive. Accordingly, the assessment order passed by the Ld. AO on the basis of the said invalid notice is quashed.

16. The contention of the Ld. DR that the notice under section 148 of the Act has been issued within the prescribed time in accordance with the provisions of section 148A(d) of the Act is not acceptable, in view of the specific directions laid down by the Hon'ble Supreme Court in the case of Union of India vs. Rajeev Bansal (Supra) with regard to the limitation for issuance of notice under section 148 of the Act within the surviving period.

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

Order pronounced in the Open Court on 27th March, 2026.

Sd/-

Sd/-

(RAVISH SOOD) JUDICIAL MEMBER	(MADHUSUDAN SAWDIA) ACCOUNTANT MEMBER
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Hyderabad, dated 27th March, 2026.

Vinodan/sps

Copy to:

S.No	Addresses
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2	Income Tax Officer Ward 15(1) IT Towers, AC Guards, Masab Tank, Hyderabad
3	Pr. CIT - Hyderabad
4	DR, ITAT Hyderabad Benches
5	Guard File

By Order