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IN THE HIGH COURT OF DELHI AT NEW DELHI

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Date of Decision : 08.10.2025

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W.P.(C) 597/2023**SARTHAK GUPTA**

.....Petitioner

Through: Mr Satyen Sethi, Mr Arta Trana
Panda and Ms Gargi Sethee,
Advocates.

versus

INCOME TAX OFFICER WARD 35(1) & ANR.Respondents

Through: Mr. Debesh Panda, SSC, Ms. Zehra
Khan, JSC, Mr. Vikramaditya Singh,
JSC, Ms. Nivedita, Ms. A. Shankar,
Ms. Ravicha Sharma, Advocates.

CORAM:**HON'BLE MR. JUSTICE V. KAMESWAR RAO****HON'BLE MR. JUSTICE VINOD KUMAR****V. KAMESWAR RAO, J. (ORAL)**

1. This petition has been filed by the petitioner with the following prayers:-

“(a) a Writ of Certiorari or a Writ in the nature of Certiorari or any other Writ, Order or Direction under Article 226 of the Constitution of India quashing and/or setting aside the impugned notice under section 148 dated 26.7.2022 (Annexure P-1) and the order under section 148A(d) of the Act dated 25.7.2022 for the assessment year 2014-15 (Annexure P-2);

(b) a Writ of Prohibition or a Writ in the nature of Prohibition or any other Writ, Order or Direction under Article 226 of the Constitution of India directing Respondents No.1 and 2 not to take any action in



furtherance to the impugned notice dated 26.07.2022 (Annexure P-1) and impugned order dated 25.07.2022 (Annexure P-2) during the pendency of this petition; (c) To pass ad-interim orders in terms of prayer (b) above and;”

2. In effect, the petitioner is challenging the order dated 25.07.2022 passed under Section 148A(d) of the Income Tax Act, 1961 (the Act) and also notice under Section 148 dated 26.07.2022, primarily on the ground that, the proceedings relating to the Assessment Year (AY) 2015-16, shall be barred by time in view of the judgment of the Supreme Court in ***Union of India and Ors. v. Rajeev Bansal [2024 INSC 754]***, which has been followed by this Court in ***Mectech knitfabs Pvt. Ltd. v. DCIT Circle 16(1) New Delhi & An; [2025 (5) TMI 1967]***. The learned counsel for the respondents do not contest the submissions made by Mr Satyen Sethi, counsel for the petitioner.

3. Suffice to state, on a similar issue, this Court in ***Lombard Portfolio Pvt Ltd v. Deputy Commissioner of Income Tax, Circle13(1) & Another; W.P.(C) 8349/2023***, on which Mr. Sethi has also placed his reliance, had considered an issue relatable to the AY 2015-16 read with the Finance Act, 2021 wherein an order under Section 148A(d) and a notice under Section 148 of the Act were passed/ issued on 30.07.2022. This Court has in paragraph no.2 onwards has held that:-

“2. The submission of learned counsel for the petitioner is that the impugned Notice dated 02.06.2022 issued under Section 148A(b) of the Income Tax Act, 1961 [‘the Act’], the impugned Order dated 30.07.2022 passed under Section 148A(d) of the Act, impugned Assessment Order dated 19.05.2023 passed under Section 147 read with Section



144B of the Act and impugned Notice dated 19.05.2023 issued under Section 156 of the Act are bad in law as the same are beyond the period of limitation as prescribed under Section 149 of the Act as amended by The Finance Act, 2021 which came into effect on 01.04.2021. Concedingly, the above impugned Notices and impugned Order having been passed post 01.04.2021, the same need to be set aside. Learned counsel for the petitioner also submits that this issue is no more res integra and has been decided by this Court and also by the High Courts at Bombay and of Rajasthan and Special Leave Petition filed by the Revenue Department against the order of High Court of Bombay has been dismissed. He has also drawn our attention to the latest order passed by this Court in the case of *Mectech knitfabs Pvt. Ltd. vs DCIT Circle 16(1) New Delhi & Anr.* [2025 (5) TMI 1967] wherein this Court has in paragraph 11 onwards stated as under:-

“11. It is relevant to refer to paragraph 19(e) and 19(f) from the decision of the Supreme Court in Union of India and Ors. v. Rajeev Bansal (supra), which sets out the concession as made on behalf of the Revenue:

“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 2013-14, 2014-15, 2015-16, 2016-17, and 2017-18 will be within the period of limitation as explained in the tabulation below:

| Assessment year | Within 3 Years | Expiry of Limitation read with TOLA for (2) | Within six Years | Expiry of Limitation read with TOLA for (4) |
|-----------------|----------------|---|------------------|---|
|-----------------|----------------|---|------------------|---|



| (1) | (2) | (3) | (4) | (5) |
|-----------|-----------|---------------------|-----------|---------------------|
| 2013-2014 | 31-3-2017 | TOLA not applicable | 31-3-2020 | 30-6-2021 |
| 2014-2015 | 31-3-2018 | TOLA not applicable | 31-3-2021 | 30-6-2021 |
| 2015-2016 | 31-3-2019 | TOLA not applicable | 31-3-2022 | TOLA not applicable |
| 2016-2017 | 31-3-2020 | 30-6-2021 | 31-3-2023 | TOLA not applicable |
| 2017-2018 | 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 April 2021 will have to be dropped as they will not fall for completion during the period prescribed under TOLA;”

12. In view of the above concession, the impugned notice and the proceedings relating thereto are required to be set aside. We may also note the decision of the Supreme Court in Deepak Steel and Power Ltd. v. Central Board of Direct Taxes and Ors.: Civil Appeal No.5177/2025, decided on 02.04.2025. The said appeal arose from orders passed by the Hon’ble High Court of Orissa and Cuttack declining to entertain batch of petitions filed by the Assessees. The attention of the Supreme Court was drawn to the concession made on behalf of the Revenue in Union of India & Ors. v. Rajeev Bansal (supra) and noting the same, the Supreme Court allowed the appeals. The relevant extract of the said decision is set out below:

“4. The learned counsel appearing for the revenue with his usual fairness invited the attention of this Court to a three judge bench decision of this Court in Union of India and Ors. v. Rajeev Bansal, reported in 2024 SCC OnLine SC 2693, more particularly, paragraph 19(f) which reads thus:-

“19. (f) The Revenue concedes that for the assessment year 2015-2016, all notices issued on or after April 1, 2021 will have to be dropped as they will not fall for completion during



the period prescribed under the Taxation and other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020.”

5. As the revenue made a concession in the aforesaid decision that is for the assessment year 2015-2016, all notices issued on or after 1st April, 2021 will have to be dropped as they would not fall for completion during the period prescribed under the taxation and other laws (Relaxation and Amendment of certain Provisions Act, 2020). Nothing further is required to be adjudicated in this matter as the notices so far as the present litigation is concerned is dated 25.6.2021.

6. In view of the aforesaid, in such circumstances referred to above the original writ petition nos.2446 of 2023, 2543 of 2023 and 2544 of 2023 respectively filed before the High Court of Orissa at cuttack stands allowed.

13. The notice dated 26.07.2022 issued under Section 148 of the Act stands quashed and set aside. Concededly, the controversy is covered in favour of the petitioner by the decision of this court in **Makemytrip India Pvt. Ltd. v. Deputy Commissioner of Income Tax Circle 16 (1) Delhi & Anr.: Neutral Citation No.: 2025:DHC:1892-DB.**

14. The petition is, accordingly, allowed and all proceedings initiated pursuant thereto are set aside.

15. The next date of hearing, that is, 16.09.2025, stands cancelled.”

3. Ms. Naincy Jain, learned counsel for the respondents, do not contest the applicability of the judgement in the case of *Union of India and Ors. vs. Rajeev Bansal* [2024 INSC 754] as followed by the Court in *Mectech knitfabs Pvt. Ltd.* (*supra*).

4. If that be so, the impugned Notice dated 02.06.2022, impugned Order dated 30.07.2022, impugned Assessment



Order dated 19.05.2023 and impugned Notice dated 19.05.2023 are set aside.

5. Accordingly, the present petition along with the pending application is disposed of as allowed.

(Emphasis supplied)”

4. Accordingly, the issue being covered by the judgment of the Supreme Court in ***Rajeev Bansal (supra)*** and of this Court in ***Mectech knitfabs Pvt. Ltd (supra)*** and ***Lombard Portfolio Pvt. Ltd. (supra)***, the impugned order dated 25.07.2022 and notice dated 26.07.2022 are set aside.

5. The petition is disposed of.

V. KAMESWAR RAO, J

VINOD KUMAR, J

OCTOBER 08, 2025

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