



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 7TH DAY OF APRIL, 2026

BEFORE

THE HON'BLE MR. JUSTICE S SUNIL DUTT YADAV

WRIT PETITION NO. 22515 OF 2024 (T-IT)

BETWEEN:

SRI. KONANUR BASAVANNA GURULINGASWAMY,
NO. 2085, 1ST CROSS,
MADHAVACHAR ROAD, KR MOHALLA,
MYSORE-570004,
PAN : AQSPK3209P,
REPRESENTED BY HIS POA HOLDER
SMT. DR. MANJULA A PATIL,
NO. 2085, 1ST CROSS,
MADHAVACHAR ROAD, KR MOHALLA,
MYSORE-570004.

...PETITIONER

(BY SRI. HEMANT PAI, ADVOCATE FOR
SRI. RAVI SHANKAR S. V., ADVOCATE)

AND:

1. INCOME TAX OFFICER,
WARD INTL. TAXATION 1(2),
BANGALORE-560095.
2. INCOME TAX OFFICER,
WARD 1(1),
MYSORE-570008.
3. NATIONAL FACELESS ASSESSMENT CENTRE,
ADDITIONAL /JOINT/DEPUTY/ASSISTANT

Digitally signed
by MAMATHA
R
Location: HIGH
COURT OF
KARNATAKA





COMMISSIONER OF INCOME TAX/
INCOME TAX OFFICER,
INCOME TAX DEPARTMENT,
MINISTRY OF FINANCE,
ROOM NO.401, 2ND FLOOR, E-RAMP,
JAWAHARLAL NEHRU STADIUM,
DELHI - 110003.

4. THE PRINCIPAL CHIEF COMMISSIONER OF INCOME TAX,
THE OFFICE OF THE PRINCIPAL CHIEF COMMISSIONER OF INCOME TAX,
CENTRAL REVENUE BUILDING,
QUEENS ROAD, BANGALORE-560001.
5. THE PRINCIPAL CHIEF COMMISSIONER OF INCOME TAX (IT),
ROOM NO. 317, 3RD FLOOR, E-2 BLOCK,
DR. S.P. MUKHERJEE CIVIC CENTRE,
MINTO ROAD, NEW DELHI-110002.

...RESPONDENTS

(BY SRI. E.I. SANMATHI, ADVOCATE)

THIS WP IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH THE NOTICE UNDER SECTION 148A(B) OF THE ACT, DATED 30/03/2022 BEARING NO.ITBA/AST/F/148A(SCN)/2021-22/1042182421(1), ISSUED BY THE RESPONDENT NO.2 FOR THE ASSESSMENT YEAR 2015-16 HEREIN MARKED AS ANNEXURE - A AND ETC.,

THIS PETITION, COMING ON FOR ORDERS, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE S SUNIL DUTT YADAV



ORAL ORDER

The petitioner has sought for setting aside of the proceedings under Section 148 of the Income Tax Act, 1961 (for short 'the Act') which has culminated in order passed under Section 147 read with Section 144 at Annexure-A3 and penalty proceedings.

2. It is the case of the petitioner that the proceedings under Section 148 of the Act were sought to be initiated as regards the assessment year 2015-16. It is submitted that such proceedings are time barred. It is submitted that the time limit prescribed for initiating proceedings will have to be read in terms with the observation made in the case of ***Union of India v. Rajiv Bansal*** reported in ***2024 INSC 754***. Attention is drawn to para-19(e) and 19(f) of the said decision, which are extracted as below:

"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:

<i>Assessment year</i>	<i>Within 3 years</i>	<i>Expiry of Limitation read with TOLA for (2)</i>	<i>Within Six Years</i>	<i>Expiry of Limitation read with TOLA for (4)</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>
<i>2013-2014</i>	<i>31-3-2017</i>	<i>TOLA not applicable</i>	<i>31-3-2020</i>	<i>30-6-2021</i>
<i>2014-2015</i>	<i>31-3-2018</i>	<i>TOLA not applicable</i>	<i>31-3-2021</i>	<i>30-6-2021</i>
<i>2015-2016</i>	<i>31-3-2019</i>	<i>TOLA not applicable</i>	<i>31-3-2022</i>	<i>TOLA not applicable</i>
<i>2016-17</i>	<i>31-3-2020</i>	<i>30-6-2021</i>	<i>31-3-2023</i>	<i>TOLA not applicable</i>
<i>2017-2018</i>	<i>31-3-2021</i>	<i>30-6-2021</i>	<i>31-3-2024</i>	<i>TOLA not applicable</i>

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."



3. It is submitted that in light of the observations made and in light of the concession of the revenue to the effect that for the assessment year 2015-16, all notices issued on or after 1st April 2021 will have to be dropped as they will not fall for completion during the prescribed period under TOLA and the proceedings are to be set aside.

4. The identical question was a subject matter of consideration before the Division Bench in W.A.No.612/2025 in the case of ***Income Tax Officer and others v. Venkatala Iyyappa Rajanna***. The Division Bench considering the identical question regarding the time limit for notices of the assessment year 2015-16, after referring to the observations made in ***Rajiv Bansal's*** case as extracted above, has observed that the concession made before the Apex Court has been taken note of even in subsequent proceedings including by the Supreme Court in the case of ***Deepak Steel and Power Limited v.***



CBDT in Civil Appeal No.5177/2025 decided on 02.04.2025.

5. The Division Bench relying on the observations made at para-4 to 6 in the aforesaid order as well as observations made in **ITO v. R.K. Build Creations (P) Ltd.,** in Special Leave Petition (Civil) Diary No.59625/2024, dismissed the appeal affirming the time barring of the notices. The observations of the Division Bench at para-9 and 10 reads as follows:

*"9. It is also relevant to note that in the subsequent decision in **Deepak Steel and Power Limited V. CBDT¹**, the attention of the Supreme Court was also drawn to the concession made by the Revenue in *Rajeev Bansal (Supra)*. The said appeal emanated from the orders passed by the Hon'ble High Court of Orissa at Cuttack, declining to entertain a batch of petitions. The Supreme Court noted the concession made on behalf of the Revenue and accordingly, allowed the writ petitions, which were filed before the High Court of Orissa. The relevant extract of the said decision of the Supreme Court is set out below:*

¹ Civil Appeal No. 5177/2025 decided on 02.04.2025



"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."

10. Similarly, in **ITO V. R.K. Build Creations (P) Ltd.**², the Supreme Court dismissed the Special

² Special Leave Petition (Civil) Diary No.59625/2024



Leave Petition arising out of a decision rendered by the Hon'ble Rajasthan High Court in DBC WP No.14414/2022. It would be equally relevant to refer to the said order passed by the Supreme Court, which is reproduced below:

"Delay condoned.

Having regard to the concession made by the petitioner-Department in the case of Union of India v. Rajeev Bansal, Civil Appeal No. 8629 of 2024 on 03.10.2024 (2024 SCC ONLINE 754), this Special Leave Petition would not survive for further consideration.

Hence, the Special Leave Petition is dismissed.

Pending application(s), if any, shall stand disposed of."

6. In the present case, it is not in dispute that the proceedings under Section 148A(b) of the Act itself were initiated as per the notice dated 30.03.2022. Noticing the notice issued is beyond 1st of April 2021, and taking note of the observations made by the Division Bench as well, the impugned proceedings are liable to be set aside on the sole ground that the notice under Section 148 was issued beyond the time permissible. Accordingly, the assessment



order at Annexure-A3 is set aside as well as the consequential proceedings at Annexures-A4 to A6 are set aside.

Accordingly, petition is ***disposed of***.

**Sd/-
(S SUNIL DUTT YADAV)
JUDGE**

MCR