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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **W.P.(C) 12632/2024 and CM APPLs. 52458-59/2024**

SHEETAL INTERNATIONAL PRIVATE LIMITED.....Petitioner

Through: Mr Sameer Rohatgi with Mr Kartikey
Singh and Mr Naman Gupta,
Advocates.

versus

**CHIEF COMMISSIONER OF INCOME TAX, CENTRAL-
02,DELHI & ANR.**

.....Respondents

Through: Mr Siddhartha Sinha, Sr. Standing
Counsel.

CORAM:

HON'BLE MR. JUSTICE VIBHU BAKHRU

HON'BLE MS. JUSTICE SWARANA KANTA SHARMA

ORDER

% **04.11.2024**

1. Issue notice.
2. Learned counsel appearing for the respondents accepts notice.
3. The petitioner has filed the present petition, *inter alia*, impugning an order dated 01.05.2024 (hereafter *the impugned order*) issued under Section 148A(d) of the Income Tax Act, 1961 (hereafter *the Act*) for the assessment year (AY) 2017-18 as well as the notice dated 01.05.2024 issued under Section 148 of the Act.
4. The petitioner contends that the said notice was issued beyond the period of limitation as prescribed in first proviso to Section 149(1) of the Act.



5. The learned counsel appearing for the petitioner submits that the issue stands covered by the decision of this Court in ***Manju Somani v. Income Tax Officer Ward-70(1) & Ors: Neutral Citation: 2024:DHC:5411-DB.***

6. It is also relevant to note that the Supreme Court in a recent decision of ***Union of India & Others v. Rajeev Bansal: 2024 SCC OnLine SC 2693*** has observed as under:

“46. The ingredients of the proviso could be broken down for analysis as follows: (i) 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 assesses.”

7. In view of the above, the present petition is allowed. The impugned order dated 01.05.2024 as well as the notice issued under Section 148 in respect of the AY 2017-18 are set aside.

8. Pending applications also stand disposed of.

VIBHU BAKHRU, J

SWARANA KANTA SHARMA, J

NOVEMBER 4, 2024 /tr

[Click here to check corrigendum, if any](#)