

Gordhanbhai Devjibhai Kapadia, Proprietor of M/s Kapadia Brothers v. Income Tax Officer, Ward 1(2)(1), Rajkot

R/Special Civil Application No. 9146 of 2023

R/Special Civil Application No. 9146 of 2023 (Guj HC, decided 16.06.2026) | 2026-06-16

Order under section 148A(d) dated 26.07.2022 and reassessment notice under section 148 dated 27.07.2022 for AY 2013-14 quashed as barred by limitation under Union of India v. Rajeev Bansal where the 'surviving time' expired on 11.07.2022.

Income-tax Act, 1961: sections 148, 148A(b), 148A(d) and 149 | Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020 (TOLA): section 3(1)

High Court of Gujarat | 2-judge bench (Division Bench) | A.S. Supehia, J. | Vaibhavi D. Nanavati, J.

Assessment years: 2013-14

Applies coordinate Bench ruling in Dhanraj Govindram Kella (SCA No. 6387/2023)

Paragraph 8 on page 5 records a typographical reference to 'Ms. Karan Sanghani' whereas the appearance block on page 1 lists Mr. Maunil G. Yajnik for the Respondent.

01 FACTS OF THE CASE

For AY 2013-14, the Assessing Officer initially issued an old-regime notice under section 148 on 04.06.2021 during the TOLA extension period (leaving 26 days of surviving time up to 30.06.2021). Pursuant to Union of India v. Ashish Agarwal, (2022) 444 ITR 1 (SC), the AO supplied information under section 148A(b) on 31.05.2022, granting 15 days up to 15.06.2022 to file a reply (which the petitioner filed on 13.06.2022). Adding the surviving time from 15.06.2022, the outer limitation date for issuing a valid notice under section 148 was 11.07.2022; however, the AO passed the section 148A(d) order on 26.07.2022 and issued the section 148 notice on 27.07.2022.

Source: [Pages 1-2 and 5 of 7 \(Paragraphs 2-5 and 7\) \(20260616_GJHC240328102023.pdf\)](#)

02 DISCUSSION BY THE HON'BLE COURT

Applying paragraphs 114(g) and 114(h) of the Supreme Court judgment in Union of India v. Rajeev Bansal, (2024) 469 ITR 46 (SC) and the Gujarat High Court's coordinate Bench decision dated 08.07.2025 in Dhanraj Govindram Kella v. ITO (SCA No. 6387 of 2023 and allied matters), the Division Bench noted that Senior Standing Counsel for the Revenue verified and could not controvert the surviving-time dates. Because the surviving limitation period expired on 11.07.2022, the section 148 notice issued on 27.07.2022 was beyond the surviving period and invalid in law.

Source: [Pages 2-6 of 7 \(Paragraphs 5-9\) \(20260616_GJHC240328102023.pdf\)](#)

03 JUDICIAL DECISION

The Gujarat High Court allowed R/Special Civil Application No. 9146 of 2023 and quashed the order dated 26.07.2022 under section 148A(d), the notice dated 27.07.2022 under section 148, and all consequential proceedings.

Source: [Pages 6-7 of 7 \(Paragraph 10\) \(20260616_GJHC240328102023.pdf\)](#)

04 OUTCOME / IN WHOSE FAVOUR

In favour of the assessee (Gordhanbhai Devjibhai Kapadia); section 148A(d) order dated 26.07.2022 and section 148 notice dated 27.07.2022 quashed as time-barred.

Source: [Pages 6-7 of 7 \(Paragraph 10\) \(20260616_GJHC240328102023.pdf\)](#)

05 AKHB REVIEW POINT

AKHB analysis: Illustrates the exact arithmetic of the Rajeev Bansal ((2024) 469 ITR 46 (SC)) 'surviving time' test: original notice on 04.06.2021 left 26 days up to 30.06.2021; information supplied on 31.05.2022 with reply due on 15.06.2022 meant the 26-day clock expired on 11.07.2022, rendering the 27.07.2022 notice time-barred by 16 days.

Source: [Full judgment PDF \(7 pp.\)](#)

SOURCE & VERIFICATION

[Original judgment PDF \(20260616_GJHC240328102023.pdf\)](#)

Reviewed from the complete 7-page official High Court judgment PDF (20260616_GJHC240328102023.pdf, SHA-256: 049e54889c7ee32d2ad3bf5311fa6ed16e267e59120d431ac41d09ba00b50418).

Supplied source-reviewed note retained; original bytes and identity validation checked in this release. Substantive re-review is not claimed for this record.

Open cited source rendition

Primary source verified page-by-page (7 physical pages, 125,832 bytes, SHA-256: 049e54889c7ee32d2ad3bf5311fa6ed16e267e59120d431ac41d09ba00b50418). Cloud Google Drive File ID: 1R85bHN1K0tJTTJnn4d2hTTkoVoX22QEI (<https://drive.google.com/file/d/1R85bHN1K0tJTTJnn4d2hTTkoVoX22QEI/view>).

STATUTORY SCOPE

Refers to the Income-tax Act, 1961 and allied statutory rules/circulars as applicable to the relevant assessment years.

LATER TREATMENT

Source checked 2026-10-18. No subsequent Supreme Court reversal or stay is recorded in the source judgment text.

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

PROFESSIONAL DISCLAIMER

General research information only; not legal or tax advice, a certified judgment or a substitute for the full order. Applicability depends on facts, assessment year, statutory version and jurisdiction. Subsequent treatment is unverified unless identified sources are expressly stated. Downloading does not create a professional engagement. Obtain case-specific advice before reliance.