

IN THE INCOME TAX APPELLATE TRIBUNAL
PUNE BENCH "B", PUNE

BEFORE SHRI MANISH BORAD, ACCOUNTANT MEMBER
AND
SHRI VINAY BHAMORE, JUDICIAL MEMBER

आयकर अपील सं. / ITA No.1618/PUN/2025
निर्धारण वर्ष / Assessment Year : 2015-16

Pritesh Ratanshi Ved, 199, Navipeth, M. G. Road, Natwar Talkies, Jalgaon- 425001. PAN : ADOPV6298A	Vs.	Assessment Unit, Income Tax Department.
Appellant		Respondent

Assessee by : Shri Nikhil S. Pathak
Revenue by : Shri Shashank Ojha

Date of hearing : 21.08.2025
Date of pronouncement : 17.11.2025

आदेश / ORDER

PER VINAY BHAMORE, JM:

This appeal filed by the assessee is directed against the order dated 12.06.2025 passed by Ld. CIT(A)/NFAC for the assessment year 2015-16.

2. The appellant has raised the following grounds of appeal :-

- “1] *The learned CIT(A) erred in holding that the notice u/s 148 was correctly issued by the learned A.O. and accordingly, the reasst. order passed u/s 147 was valid in law.*
- 2] *The learned CIT(A) failed to appreciate that in view of the decision of Hon'ble Supreme Court in the case of Rajiv Bansal [469 ITR 46], the notice issued u/s 148 was bad in law and*

consequently, the reasst. order passed u/s 147 ought to have been held to be null and void.

- 3] *The learned CIT(A) further erred in not appreciating that the notice u/s 148 dated 29.07.2022 was issued by the Jurisdictional Assessing Officer (JAO) and not by the Faceless Assessing Officer (FAO) and accordingly, the notice issued by the JAO was invalid in law and hence, the reasst. order passed u/s 147 ought to have been declared null and void.*
- 4] *The learned CIT(A) further erred in not appreciating that the order u/s 148A(d) was invalid in law since it was based on irrelevant reasons and accordingly, the notice issued u/s 148 and the consequential reasst. order passed u/s 147 ought to be declared as invalid in law.*
- 5] *The appellant craves leave to add, alter, amend or delete any of the above grounds of appeal.”*

3. Facts of the case, in brief, are that the assessee is an individual engaged in the business of industrial gases and also having income from house property, income from short-term and long-term capital gains and also income from other sources and has not filed his return of income. As per information available on AIMS module of ITBA, the Assessing Officer found that the assessee has sold immovable property of Rs.1,59,63,000/- and also purchased immovable property of Rs.90 lakh, and has deposited cash of Rs.42 lakh and has also paid credit card bills of Rs.10,35,665/- and also received rental income of Rs.75,984/-, however the return of income for the period under consideration was not furnished therefore the JAO had reason to believe that the income to the extent of

Rs.3,02,74,649/- has escaped assessment within the meaning of section 147 of the Act. Accordingly, notice u/s 148 of the Act was issued on 01.04.2021 by following the provisions of Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020 (hereinafter referred to as 'TOLA'). However, the assessee failed to make any compliance to the said notice. Thereafter, as per the direction of Hon'ble Supreme Court, the Jurisdictional Assessing Officer provided the information / relevant material to the assessee on 27.05.2022 on the basis of which notice u/s 148 was issued to the assessee. However, the assessee failed to make any compliance to the above said notice. Therefore, the Jurisdictional Assessing Officer passed the order u/s 148A(d) of the Act on 29.07.2022 and also issued notice dated 29.07.2022 u/s 148 of the Act which were duly served upon the assessee. As per the said notice, the assessee was required to deliver within 30 days from the service of the notice a return in the prescribed form for the said assessment year which was not done. Since the assessee did not respond to the said notice, the Assessing Officer proceeded to complete the assessment u/s 147 r.w.s. 144 r.w.s. 144B of the Act

by determining the income at Rs.3,02,74,649/- as against no return filed by the assessee.

4. Before Ld. CIT(A)/NFAC the assessee apart from challenging the addition on merit, challenged the validity of re-assessment proceedings. However, the Ld. CIT(A)/NFAC was not satisfied with the arguments advanced by the assessee and dismissed the appeal.

5. Aggrieved with such order of the Ld. CIT(A)/NFAC, the assessee is in appeal before this Tribunal.

6. Ld. Counsel for the assessee at the outset drew the attention of the Bench to the decision of coordinate bench of this Tribunal passed in the case of Vishnu Subhash Agrawal vs. ITO, ITA No.2881/PUN/2024 order dated 25-04-2025 wherein the Tribunal under identical facts has allowed the appeal of the assessee and held that the notice dated 29-07-2022 issued u/s 148 of the Act for assessment year 2015-16 was issued after the statutory date as per the decision of Hon'ble Supreme Court in the case of Union of India vs. Rajeev Bansal (2024) 167 taxman.com 70 (SC). Accordingly, Ld. AR submitted before the bench that the issue involved in the

instant case is squarely covered in his favour and therefore Ld. AR requested before the bench to allow the appeal filed by the assessee.

7. Ld. DR appearing from the side of the Revenue relied on the orders passed by the subordinate authorities and requested to confirm the same. However, Ld. DR could not bring any material in support of its contentions. Ld. DR could not also controvert the decision of coordinate bench of this Tribunal passed in the case of Vishnu Subhash Agrawal (supra) relied on by the assessee.

8. In this regard, we find that the case of the assessee was reopened u/s 147 of the Act by issuing notice u/s 148 of the Act on 29.07.2022. The assessee has challenged the order on various grounds including the legal grounds. One of the legal ground raised by the assessee pertains to challenging the validity of notice issued u/s 148 of the Act in the light of judgement passed by Hon'ble Supreme Court in the case of Rajeev Bansal (supra). In this regard, we further find that a coordinate bench of this Tribunal under identical facts involving the similar issue of validity of notice issued u/s 148 of the Act for assessment year 2015-16 has allowed the appeal of the assessee in the case of Vishnu Subhash Agrawal (supra) by observing as under :-

“9. We have heard the rival arguments made by both the sides, perused the orders of the Assessing Officer and Ld. CIT(A) / NFAC and the paper book filed on behalf of the assessee. We have also considered the various decisions cited before us. It is an admitted fact that the first notice u/s 148 of the Act was issued by the Assessing Officer on 08.04.2021 by following the provisions of TOLA. Subsequently, the JAO passed the order u/s 148A(d) of the Act on 18.07.2022. So, under these circumstances, we have to see as to whether the notice issued by the Assessing Officer for reopening of the assessment is valid or not.

10. We find the Hon'ble Supreme Court in the case of Union of India vs. Rajeev Bansal (*supra*) has observed as under:

19. Mr N Venkataraman, learned Additional Solicitor General of India, made the following submissions on behalf of the Revenue:

- a. Parliament enacted TOLA as a free-standing legislation to provide relief and relaxation to both the assesses and the Revenue during the time of COVID-19. TOLA seeks to relax actions and proceedings that could not be completed or complied with within the original time limits specified under the [Income Tax Act](#);
- b. [Section 149](#) of the new regime provides three crucial benefits to the assesses: (i) the four-year time limit for all situations has been reduced to three years; (ii) the first proviso to [Section 149](#) ensures that re-assessment for previous assessment years cannot be undertaken beyond six years; and (iii) the monetary threshold of Rupees fifty lakhs will apply to the re- assessment for previous assessment years;
- c. The relaxations provided under [Section 3\(1\)](#) of TOLA apply “notwithstanding anything contained in the specified Act.” [Section 3\(1\)](#), therefore, overrides the time limits for issuing a notice under [Section 148](#) read with [Section 149](#) of the Income Tax Act;
- d. TOLA does not extend the life of the old regime. It merely provides a relaxation for the completion or compliance of actions following the procedure laid down under the new regime;
- 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](#), PART C 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 2013-2014, 2014-2015, 2015-2016, 2016-2017, and 2017-2018 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 (or (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>2016-2017</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;*
- g. [Section 2](#) of TOLA defines “specified Act” to mean and include the [Income Tax Act](#). The new regime, which came into effect on 1 April 2021, is now part of the [Income Tax Act](#). Therefore, TOLA continues to apply to the [Income Tax Act](#) even after 1 April 2021; and*
- h. [Ashish Agarwal](#) (supra) treated [Section 148](#) notices issued by the Revenue between 1 April 2021 and 30 June 2021 as show-cause notices in terms of [Section 148A\(b\)](#). Thereafter, the Revenue issued notices under [Section 148](#) of the new regime between July and August 2022. Invalidation of the [Section 148](#) notices issued under the new regime on the ground that they were issued beyond the time limit specified under the [Income Tax Act](#) read with TOLA will completely frustrate the judicial exercise undertaken by this Court in [Ashish Agarwal](#) (supra).*

11. Similarly, at para 46 of the order the Hon'ble Supreme Court 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.”

12. Finally, the Hon'ble Supreme Court at para 114 of the order has observed as under:

“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 assessee in terms of the directions issued by this Court in [Ashish Agarwal](#) (supra), and the period of two weeks allowed to the assessee 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. We find since the notice u/s 148 of the Act has been issued after the statutory due date as per the decision of the Hon'ble Supreme Court in the case of *Union of India vs. Rajeev Bansal* (supra), therefore, such notice for reopening being barred by limitation has to be quashed. We accordingly, quash the re-assessment notice issued by the Assessing Officer. Since the assessee succeeds on this legal ground i.e. validity of re-assessment proceedings, therefore, the grounds challenging the addition on merit are not being adjudicated being academic in nature. The grounds raised by the assessee are accordingly allowed.

14. In the result, the appeal filed by the assessee is allowed.”

9. Respectfully following the above decision passed by a coordinate bench of this Tribunal in the case of *Vishnu Subhash Agarwal* (supra), we deem it appropriate to set-aside the order passed by Ld. CIT(A)/NFAC & accordingly quash the reassessment notice dated 29.07.2022 issued by the Assessing Officer u/s 148 of the Act being bad in law in the light of judgement passed by Hon'ble Supreme Court in the case of *Rajeev Bansal* (supra). Consequently the reassessment order dated 11.05.2023 passed u/s

147 r.w.s. 144 r.w.s. 144B of the Act is also declared as null and void. Since the assessee succeeds on this legal ground i.e. validity of notice and re-assessment proceedings, therefore, the other grounds are not being adjudicated being academic in nature. The grounds raised by the assessee are accordingly allowed.

10. In the result, the appeal filed by the assessee is allowed.

Order pronounced on this 17th day of November, 2025.

Sd/-
(MANISH BORAD)
ACCOUNTANT MEMBER

Sd/-
(VINAY BHAMORE)
JUDICIAL MEMBER

पुणे / Pune; दिनांक / Dated : 17th November, 2025.

Sujeet

आदेश की प्रतिलिपि अग्रेषित / Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The Pr.CIT concerned.
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, "B" बेंच,
पुणे / DR, ITAT, "B" Bench, Pune.
5. गार्ड फ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

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Senior Private Secretary
आयकर अपीलीय अधिकरण, पुणे / ITAT, Pune.