

**IN THE INCOME TAX APPELLATE TRIBUNAL  
"SMC" BENCH, MUMBAI**

**SHRI VIKRAM SINGH YADAV, ACCOUNTANT MEMBER  
SHRI RAHUL CHAUDHARY, JUDICIAL MEMBER**

**ITA No.5549/MUM/2025  
(Assessment Year:2015-2016)**

**Nadeem Mohammed Iqbal Patni**

A – 201, Swarna CHS, Unique Gardens, Kanakia,  
Beverly Park, Mira Road East, Thane – 401107.

Maharashtra

[PAN: AMAPP3180E]

..... **Appellant**  
Vs

**Income Tax Officer Ward 25(3)(1),  
Mumbai**

Kautilya Bhavan, Mumbai – 400051.  
Maharashtra.

..... **Respondent**

**Appearance**

For the Appellant/Assessee : Shri M. Subramanian

For the Respondent/Department : Shri Pradipsinh Saktavat

**Date**

Conclusion of hearing : 16.12.2025

Pronouncement of order : 07.01.2026

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**ORDER**

**Per Rahul Chaudhary, Judicial Member:**

1. The present appeal preferred by the Assessee is directed against the order, dated 08/07/2025, passed by the National Faceless Appeal Centre (NFAC), Delhi [hereinafter referred to as 'the **CIT(A)**'] whereby the Ld. CIT(A) had dismissed the appeal against the Assessment Order, dated 11/10/2023, passed under Section 147 read with Section 144B of the Income Tax Act, 1961 [hereinafter referred to as 'the **Act**'] for the Assessment Year 2015-2016.
2. When the appeal was taken up for hearing the Learned Authorised Representative for the Assessee placed reliance upon the additional grounds raised by the Assessee challenging the validity of the

reassessment proceedings initiated under Section 147 of the Act on the ground of lack of valid sanction under Section 151 of the Act. The additional grounds raised by the Assessee read as under:

*Additional Grounds*

- "1. *On the facts and in the circumstances of the case and in law, the notice dated 18.04.2022 issued u/s 148 of the act is invalid and bad in law.*
2. *On the facts and in the circumstances of the case and in law, the proceedings initiated by issuance of notice u/s 148 is invalid and bad in law.*
3. *On the facts and in the circumstances of the case and in law, the order dated 18.04.2022 passed u/s 148A(d) of the act is invalid and bad in law.*
4. *On the facts and in the circumstances of the case and in law, the assessment order dated 11.10.2023 passed u/s 147 r.w.s. 144 r.w.s. 144B is invalid and bad in law."*

3. We have heard both the sides on admission of the additional ground as well as the on the issue raised therein and have perused the material on record. We have also considered the judicial precedents cited during the course of hearing.
4. We are of the view that the additional grounds raised by the Assessee can be adjudicated after taking into consideration material on record without inquiring into new facts. Therefore, the additional grounds raised by the Assessee are admitted in view of the judgment of the Hon'ble Supreme Court in the case of National Thermal Power Co. Ltd. Vs. CIT: 229 ITR 383. Accordingly, we proceed to adjudicate the additional grounds raised by the Assessee in the present appeal since the same go the root of the matter and challenge the validity of the reassessment proceedings.
5. It is the case of the Assessee that the Assessment Order passed by the Assessing Officer under Section 147 of the Act was bad in law. It

has been contended by the Learned Authorised Representative for the Assessee that the notice, dated 18/04/2022, issued under Section 148 of the Act for the Assessment Year 2015-16 has been issued after 01/04/2021 and is, therefore, without jurisdiction in view of the concession made by the Revenue before the Hon'ble Supreme Court in case of Union of India Vs. Rajeev Bansal [2024] 469 ITR 46 (SC). In support the Learned Authorised Representative for the Assessee placed on record the recent judgment of the Hon'ble Bombay High Court in the case of Cherian Nallathu Abraham Annamma vs. Income-tax Officer, International Tax, Ward-1(1)(1), Mumbai [2025] 179 taxmann.com 433 (Bombay)/[2025] 307 Taxman 367 (Bombay)[13-10-2025].

6. Per contra, the Learned Departmental Representative vehemently contended that the judgment of Hon'ble Supreme Court in the case of Rajeev Bansal (supra) had no application to the facts of the present case since the notices under Section 148A/148 were issued in the present case under the new regime which came into effect after 01/04/2021.
7. On perusal of Paragraph 6 to 12 of the judgment in the case of it becomes clear that the Hon'ble Supreme Court was dealing with cases where notices issued under Section 148 of the Act as applicable prior to amendment introduced by the Finance Act, 2021 [for short the '**Old Regime**'] between 1<sup>st</sup> April 2021 and 30<sup>th</sup> June 2021 which were quashed by the various High Courts. The Hon'ble Supreme Court noted that in the case of Union of India v. Ashish Agarwal [2023] 1 SCC 617, exercising powers under Section 142 of the Constitution, the Apex Court had directed that the reassessment notices issued under Section 148 of the Old Regime shall be deemed to notices issued under Section 148A(b) of the '**New Regime**' [i.e., Section 148/148A and other applicable provisions of the Act as amended by the Finance Act, 2021]. The Assessing Officer, in compliance with the

aforesaid directions treated the notice issued under Section 148 of the Old Regime as notice issued under Section 148A(b) of the New Regime and passed order under Section 148A(d) of the Act. Thereafter, notice under Section 148 of the New Regime was issued by the Assessing Officer Act between July and September, 2022. In the aforesaid background following issues came had up for consideration before the Hon'ble Supreme Court:

*"B. Issues*

*18. The present batch of appeals gives rise to the following issues:*

- a. Whether TOLA and notifications issued under it will also apply to reassessment notices issued after 1 April 2021; and*
- b. Whether the reassessment notices issued under section 148 of the new regime between July and September 2022 are valid."*

8. In the present case, re-assessment proceedings were initiated under the New Regime. Notice under Section 148A(b) of the Act as well as notice under Section 148 were issued under the New Regime. Therefore, it was contended by the Learned Departmental Representative that the judgment of Hon'ble Supreme Court in the case of Rajeev Bansal (supra) was not applicable to the facts of the present case. While we find some merit in the contention advanced on behalf of the Revenue, the Learned Authorised Representative for the Assessee had placed before us the judgment of the Jurisdictional High Court in the case of **Cherian Nallathu Abraham Annamma vs. Income-tax Officer, International Tax, Ward-1(1)(1), Mumbai [2025] 179 taxmann.com 433 (Bombay)/[2025] 307 Taxman 367 (Bombay)[13-10-2025]**. In that case in identical facts and circumstances, the Hon'ble Bombay High Court was pleased to accept identical submission made on behalf of an assessee in that case. The relevant extract of the said judgment reads as under:

*"6. We have heard the learned counsel for the parties. It is not in*

*dispute that the present petition relates to A.Y.2015-16. Further, it is also undisputed that the notice under Section 148 has been issued on 5th April 2022 which is at page 52 of the paperbook. Once these are the facts, paragraphs 19 (e) and (f) of the judgment of the Hon'ble Supreme Court in the case of Rajeev Bansal (supra) become relevant. They read as under:-*

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

a. ....

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 2013-2014, 2014-2015, 2015-2016, 2016-2017, and 2017-2018 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
<b><u>2015-2016</u></b>	<b><u>31-3-2019</u></b>	<b><u>TOLA not applicable</u></b>	<b><u>31-3-2022</u></b>	<b><u>TOLA not applicable</u></b>
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. "(emphasis supplied)*

7. **From the above it is clear, that the Department has conceded before the Hon'ble Supreme Court that all the notices issued under Section 148 after 1 April 2021 for**

**A.Y.2015-16 have to be dropped. In the present case, the Notice under Section 148 is dated 5th April 2022 and therefore, has to be dropped.**

8. **The decision in Rajeev Bansal (supra) has been subsequently followed by the Hon'ble Supreme Court in Deepak Steel and Power Limited (supra). Paragraphs 4 and 5 of the said order is reproduced hereunder:-**

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. (emphasis supplied)*

9. *Similarly, even in the matter of Nehal Ashit Shah (supra), the Hon'ble Supreme Court, relying upon paragraphs 19 (e) and (f) of the decision in case of Rajeev Bansal (supra), dismissed the SLP filed by the Revenue. Paragraph 5 of the said order is reproduced hereunder:-*

*"5. In this regard, reference could also be made to paragraph 19(e). and (1) in the case of Union of India vs. Rajeev Bansal, Civil Appeal No.8629 of 2024 on 03.10.2024 (2024 SCC ONLINE 754) under which the learned*

*Additional Solicitor General for India has made a concession insofar as the assessment year 2015-16 is concerned."*

10. *Lastly, this very Bench has on 6th October 2025, in the matter of Spicy Sangria (supra), allowed the petition filed by the Petitioner therein by noting that since, the notice under Section 148 was issued after 1" April 2021, the same was required to be set aside in light of the concession made by the Revenue before the Hon'ble Supreme Court in the case of Rajeev Bansal (supra).*

11. ***In light of the above discussion, we find merit in the submissions as canvassed by the Petitioner. The Revenue has categorically made a concession that for A.Y.2015-16 they would drop all notices issued under Section 148 after 1" April 2021. Once this is the position, it is appropriate that the notice under Section 148 dated 5" April 2022, and the consequential assessment order, notice of demand. penalty notices/orders as well as the recovery notices be quashed and set aside. It is accordingly so ordered."*** (Emphasis Supplied)

9. Thus, in identical set of facts the Jurisdictional High Court had quashed reassessment proceedings for the Assessment Year 2015-2016 in the case of Cherian Nallathu Abraham Annamma (supra) on the ground that notice under Section 148 of the Act was issued for the Assessment Year 2015-2016 after 01/04/2021 by taking into consideration the judgment of the Hon'ble Supreme Court in the case of Rajeev Bansal (Supra). The Revenue has failed to distinguish the above judgment of the Hon'ble Bombay High court either on facts or in law. Therefore, respectfully following the same we quash the notice, dated 18/04/2022, issued under Section 148 of the Act for the Assessment Year 2015-2016. Further, the consequent assessment proceedings and the Assessment Order, dated 11/10/2023, for the Assessment Year 2015-2016 are quashed and therefore, the demand

raised upon the Assessee for the Assessment Year 2015-2016 stands deleted. In view of the aforesaid, Additional Ground No. 1 to 4 raised by the Assessee (reproduced in Paragraph 2 above) are allowed and all the other grounds raised by the Assessee are dismissed as having been rendered infructuous.

10. In result, in terms of paragraph 9 above, the present appeal preferred by the Assessee is partly allowed.

Order pronounced on 07.01.2026.

Sd/-  
**(Vikram Singh Yadav)**  
**Accountant Member**

Sd/-  
**(Rahul Chaudhary)**  
**Judicial Member**

मुंबई Mumbai; दिनांक Dated : 07.01.2026  
Milan, LDC

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

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. आयकर आयुक्त/ The CIT
4. प्रधान आयकर आयुक्त / Pr.CIT
5. विभागीय प्रतिनिधि ,आयकर अपीलीय अधिकरण ,मुंबई / DR,  
ITAT, Mumbai
6. गार्ड फाईल / Guard file.

आदेशानुसार/ BY ORDER,

सत्यापित प्रति //True Copy//

उप/सहायक पंजीकार /(Dy./Asstt. Registrar)  
आयकर अपीलीय अधिकरण, मुंबई / ITAT, Mumbai