

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'A', NEW DELHI**

**BEFORE SHRI VIKAS AWASTHY, HON'BLE JUDICIAL MEMBER
&
SMT. RENU JAUHRI, HON'BLE ACCOUNTANT MEMBER**

ITA No. 6304/DEL/2025; Assessment Year: 2015-16

Shri Lalit Kumar House No.- 294/20, Shakti Nagar Parshuram Vatika Gurgaon- 122001 Haryana	Vs	ITO Ward 1(4) Gurgaon
(APPELLANT)		(RESPONDENT)
PAN No. DSDPK0707E		

Assessee by : Shri Amol Sinha, Advocate
Shri Ankit Kumar, Advocate

Department/Revenue by : Shri Ajay Kumar Arora, Sr. DR

Date of Hearing: 14.01.2026	Date of Pronouncement: 14.01.2026
-----------------------------	-----------------------------------

ORDER

PER RENU JAUHRI :

This appeal is filed by the assessee against the order of the Commissioner of Income Tax (Appeals)/ National Faceless Appeal Centre, New Delhi [for short, Ld. CIT (A)/NFAC], u/s 250 of the Income Tax Act (for short, the "Act"), order dated 13.08.2025 in the Appeal No. NFAC/2014-15/10352182.

2. The assessee has raised following grounds of appeal:

“ 1. That the learned CIT(A) and AO erred both on facts and in law in completing the assessment ex-parte under section 144 r.w.s. 147 of the Income Tax Act, 1961, without considering the bona fide circumstances that prevented the appellant from submitting replies and supporting documents. The non-compliance was neither deliberate nor intentional but on account of lack of awareness, uneducated status, and absence of proper guidance.

2. That the learned authorities erred in making addition of Rs. 33,00,000/- as unexplained money under section 69A without granting reasonable opportunity to the appellant to explain the sources of such deposits, or by ignoring the circumstances and available facts, thereby violating principles of natural justice.

3. That the addition of Rs. 27,50,000/- as unexplained investment under section 69 of the Act is contrary to facts and law, and the authorities did not consider any explanation or material which could justify the sources, nor considered the nature and background of the appellant.

4. That the authorities wrongly added Rs. 7,00,000/- as unexplained investment under section 69 of the Act, without adequate opportunity to substantiate the sources and ignoring the real facts of investments made in mutual funds, causing grave prejudice to the appellant.

5. That the addition of Rs. 72,990/- as undisclosed income towards interest received on deposits was erroneous, and failed to appreciate the nature of the transaction, compliance position, and the reasonableness of explanation that could have been offered if adequate opportunity had been extended.

6. That the authorities erred in applying the provisions of section 115BBE to the above additions, which resulted in exorbitant taxation and did not consider the explanation or mitigating circumstances of the appellant.

7. *That the assessment and appellate authorities failed to provide adequate and effective opportunity to represent and furnish documentary evidence, and passed orders based solely on assumptions and incomplete material, in violation of principles of natural justice.*

8. *That the initiation of penalty proceedings under sections 271(1)(c), 271F, and 271(1)(b) of the Income Tax Act is unsustainable, as the assessment itself is vitiated by procedural lapses and the absence of willful default or concealment.*

9. *The appellant craves leave to add, alter, amend or vary any of the above grounds during the pendency of the appeal.”*

3. Brief facts of the case are that the assessee, being an agriculturist, did not file his return for A.Y. 2015-16. However, based on information available on insight portal of the department regarding deposit of cash in the bank account, a notice u/s 148 was issued to the assessee on 05.04.2022. Thereafter assessment was completed *ex-parte* at an income of Rs. 68,22,990/- on account of unexplained cash deposits added u/s 69A of the Act vide order dated 27.03.2024. Aggrieved, the assessee preferred an appeal before Ld. CIT(A). As no compliance was made, the appeal was also dismissed *ex-parte*. Further aggrieved, the assessee is in appeal before the Tribunal.

4. Before us, Ld. AR has submitted that the notice u/s 148 is time-barred in view of the decision of the Hon'ble Apex Court in the case of of ***UOI & Ors. Vs Rajeev Bansal [2024] 469 ITR 46 (SC)*** wherein the notices issued on or after 01.04.2021 in respect of A.Y. 2015-16 were time-barred as conceded by the Revenue. Ld. DR has relied on the orders of the lower authorities.

5. We have heard the rival submissions and perused material available on record. We note that the case is squarely covered by the decision of the Hon'ble

Apex Court in the case of **Rajeev Bansal** (*supra*), wherein the relevant discussion is 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, 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 (1)	Within 3 Years (2)	Expiry of Limitation read with TOLA for (3)	Within six Years (4)	Expiry of Limitation read with TOLA for (5)
2013-2014	31.03.2017	TOLA not applicable	31.03.2020	30.06.2021
2014-2015	31.03.2018	TOLA not applicable	31.03.2021	30.06.2021
2015-2016	31.03.2019	TOLA not applicable	31.03.2022	TOLA not applicable
2016-2017	31.03.2020	30.06.2021	31.03.2023	TOLA not applicable
2017-2018	31.03.2021	30.06.2021	31.03.2024	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;

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). ”*

6. Respectfully following the decision of the Hon'ble Supreme Court, we hold that the notice u/s 148 issued to the assessee on 05.04.2022 for A.Y. 2015-16 is time-barred and therefore quashed.

6.1 As the proceedings have been quashed, remaining grounds of appeal have been rendered infructuous and hence not being adjudicated upon.

7. In the result, the appeal of the assessee is allowed.

Order pronounced in the Open Court on 14-01-2026.

**Sd/-
(VIKAS AWASTHY)
JUDICIAL MEMBER**

**Sd/-
(RENU JAUHRI)
ACCOUNTANT MEMBER**

Dated: 21.01.2026

Pooja Mittal

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asstt. Registrar, ITAT, New Delhi