



आयकर अपीलीय अधिकरण, राजकोट न्यायपीठ, राजकोट |
IN THE INCOME TAX APPELLATE TRIBUNAL, RAJKOT BENCH, RAJKOT
BEFORE DR. ARJUN LAL SAINI, ACCOUNTANT MEMBER
AND
DR. DINESH MOHAN SINHA, JUDICIAL MEMBER

आयकर अपील सं./ITA No.596/RJT/2025
Assessment Year: (2015-16)
(Physical Hearing)

Sanjaykumar Haribhai Parsana, Vishva Vihar, 14/11 Sardar Nagar, Opp – Astron Cinema, Astron Chowk, Rajkot – 360001, (Gujarat)	बनाम / Vs.	DCIT / ACIT, Circle – 1(1), Rajkot
स्थायीलेखासं./जीआइआरसं./PAN/GIR No.: ACXPP8986D		
(Assessee)		(Respondent)

निर्धारित की ओर से/Assessee by : Shri Rajendra Singhal, AR
राजस्व की ओर से/Respondent by : Shri Dheeraj Kumar Gupta, Sr. DR

सुनवाई की तारीख/**Date of Hearing** : 05/02/2026
घोषणा की तारीख/**Date of Pronouncement** : 10/02/2026

आदेश /ORDER

Per, Dr. Arjun Lal Saini, AM:

Captioned appeal filed by the assessee, pertaining to Assessment Year 2015-16, is directed against the order passed under section 250 of the Income Tax Act, 1961 (hereinafter referred to as ‘the Act’) by the Learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre, Delhi [Ld. CIT(A)/NFAC], dated 27.07.2025, which in turn arises out of an assessment order passed by the Assessing Officer (AO) u/s 147 r.w.s. 144B of the Act, dated 31.05.2023.

2. The grounds of appeal raised by the assessee are as follows:

“1. The order passed by the Id. Commissioner of Income-tax (Appeals), National Faceless Appeal Centre (CIT(A), NFAC) is bad in law and invalid

2. The Id. CIT(A) erred on facts as also in law in holding the impugned notice issued u/s. 148 of the Act as valid notice, ignoring the law settled by the Hon'ble Supreme Court in case of judgment in case of Union of India & Ors. vs. Rajeev Bansal in Civil Appeal No. 8629/2024 dated 03.10.2024.

3. The Id. CIT(A) erred on facts as also in law in holding the impugned notice issued u/s. 148 of the Act as valid notice, ignoring a number of objections raised.



4. The Id. CIT(A) erred on facts as also in law in passing impugned order, without according adequate opportunity, of being heard.

5. The Id. CIT(A) erred on facts as also in law in upholding the addition u/s 69 of the Act of Rs. 1,03,76,484/- made for unexplained cash payments, though:

i. The cash payment is duly recorded in books of account.

ii. Source of cash payment has been duly explained with evidences.

Your Honour's appellant craves leave to add, to amend, alter, or withdraw anyone grounds of appeal on/or before hearing of appeal.”

3. When this appeal was called out for hearing, learned counsel for the assessee invited our attention that assessment year for the assessee, under consideration, is the assessment year 2015-16, where the time limit to re-open the re-assessment for the assessment year 2015-16 is up to 31.03.2019. However, in the assessee's case under consideration, the assessing officer reopened the assessment on 27.07.2022 by issuing notice under section 148A(d) of the Act. Since the time limit to re-open the assessment, for assessment year 2015-16 had elapsed on 31.03.2019, therefore, the assessing officer does not have power to issue notice u/s 148 of the Act in the new regime, on 27.07.2022, hence, the issue is directly covered by the judgment of the Hon'ble Apex Court in case of Union of India vs. Rajeev Bansal, in Civil Appeal No.8629/2024, dated 03.10.2024. Therefore, the assessee's appeal should be allowed on this technical issue, as assessee has raised ground nos.2 and 3 on said technical issue. Learned Counsel for the assessee also submitted that the present appeal of the assessee is squarely covered by the aforesaid judgment of the Hon'ble Apex Court in case of Rajeev Bansal (supra), a copy of which was also placed before the Bench.

4. Learned Departmental Representative, relied upon the orders of the authorities below.



5. We see no reasons to take any other view of the matter than the view so taken by the Hon'ble Apex Court in case of Rajeev Bansal (supra). We also note that Division Bench of this Tribunal, (ITAT-Rajkot), in the case of Nileshkumar M. Bhalodi, vide ITA No.07/RJT/2026, taken the same view, by following the judgement of Hon'ble Apex Court in case of Rajeev Bansal (supra). The findings of the Tribunal are as follows:

“10. We have heard both the parties and carefully gone through the submissions put forth on behalf of the assessee along with the documents furnished and the case laws relied upon and perused the facts of the case including the findings of the Ld. CIT(A) and other material brought on record. We note that in assessee's case the original notice u/s 148 of the Act was issued on 12.04.2021, for which the time limit was up to 31.03.2019. We note that notice issued on or after 01.04.2021 would be time barred, as three years from assessment year (AY) 2015-16, got expired on 31.03.2019, as per amended section 149(1)(a) of the Act, as applicable from 01.04.2021.

Therefore, we find that notice u/s 148 of the Act was beyond time allowed as held in the decision of UOI vs. Rajeev Bansal, (2024) 469 ITR 46 (SC), dated 03.10.2024. The revenue made a concession in the aforesaid decision at Para 'f' therein, that for AY. 2015-16, all notices issued on or after 01.04.2021 would have to be dropped as they would not fall for completion during period prescribed under TOLA.

11. We note that even if the time limit of six years from the end of assessment year 2015-16, is considered, then also the notice issued under section 148A(b) is time barred. That is, the time limit of 6 years from the end of assessment year 2015-16, bearing in mind Section 149(1)(b) of the Act, as it existed prior to 01.04.2021, then notice u/s 148A(b) would be time barred by 31.03.2022. The decision of Hon'ble Supreme Court in case of Ashish Agarwal would not apply to the case of assessee as it would only apply to judgments and orders passed by different High Courts where similar notices issued after 01.04.2021 u/s 148 are set aside, (2025) 474 ITR 48 (Delhi HC). We also find that due date to file reply by the assessee, as per section 148A(b) of the Act, was up to 11.06.2022. However, the order u/s 148A(d) of the Act was passed on 22.07.2022 and the actual notice u/s 148 of the Act was issued on 22.07.2022, which is clearly barred by limitation, as the actual notice u/s 148 of the Act should have issued on or before 31.03.2022, however, it was issued by the assessing officer on 22.07.2022, therefore, it is clearly barred by limitation, hence, the reassessment order framed by the assessing officer should be quashed.

12. Therefore, we find that based on the above facts, the issue under consideration is squarely covered in favour of the assessee by the judgment of Hon'ble Supreme Court in case of Rajeev Bansal (Supra), wherein it was held as follows:

“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	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
2015-2016	31-3-2019	TOLA not applicable	31-3-2022	TOLA not applicable
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;*
- 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)."*

13. *We note that in the case of Deepak Steel and Power Ltd. (2025) 174 taxmann.com 144 (SC), the revenue made a concession, for Assessment Year (AY) 2015-16 and stated that all notices issued on or before 01.04.2021 would have to be dropped. For that, reliance is placed on the decision of the Hon'ble Supreme Court in case of Deepak Steel and Power Ltd. (supra), wherein it was held as follows:*

"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 v. Rajeev Bansal 2024 SCC OnLine SC 2693/[2024] 167 taxmann.com 70/301 Taxman 238/469 ITR 46 (SC), 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.

6. In view of the aforesaid, in such circumstances referred to above the original writ petition nos.2446 of 2023, 2543 of 2023 and 2544 of 2023 respectively filed before the High Court of Orissa at Cuttack stands allowed."

14. *We also find that issue under consideration is also covered in favour of the assessee by the judgment of the Hon'ble jurisdictional High Court of Gujarat in case of Sorathia Mahesh Veljibhai HUF (2025) 179 taxmann.com 54, wherein it was held as follows:*



“9. During the course of hearing before the Hon'ble Apex Court, Revenue conceded to the effect that so far as Assessment Year 2015-2016 is concerned, Revenue could not have issued the notices under section 3(1) of TOLA as considering the time period as prescribed under section 149 of the Act with effect from 01.04.2021, three years would be over on 31.03.2019 which is prior to coming into force of TOLA and six years would be completed on 31.03.2022 which is after operation of TOLA. In such circumstances, notices for Assessment Year 2015-2016 are held to be invalid by Hon'ble Apex Court in case of Rajeev Bansal (supra).”

15. We note that when assessing officer issued notice u/s 148A(b) for AY 2015-16, after period of six years, which have lapsed on 31.03.2022, the said notice would be time barred and therefore invalid. We note that notice u/s 148 of the Act dated 12.04.2021 is beyond time limit of three years, that is, 31.03.2019, thus it deserves to be quashed as per the decision of Hon'ble Supreme Court in case of Rajeev Bansal (supra) Further, even if time limit of 6 years is considered for issue of notice u/s 148A(b) of the Act for AY 2015-16, then also time limit to issue said notice got expired on 31-03-2022 because in case of assessee said notice u/s 148A(b) was issued on 22.05.2022. Hence, respectfully following the judgement of Hon'ble Supreme Court in case of Rajeev Bansal (supra) and judgement of jurisdictional High Court of Gujarat(supra), we find that notice u/s 148A(b) being time barred deserves to be quashed and the consequent order passed u/s 147 r.w.s. 144B of the Act dated 30.05.2023 is also quashed.

6. We note that for assessment year 2015–16, the notice was issued by the assessing officer under section 148A(d) of the Act on 27.07.2022, which is clearly time barred. We note that the assessment year involved in the assessee's case, is the assessment year 2015-16, and the assessing officer has issued the notice for re-opening of assessment for assessment year 2015-16 on 27.07.2022. We note that to re-open the assessment for assessment year 2015-16, the time limit is up to 31.03.2019. However, in assessee's case, the assessment was re-opened on 27.07.2022 which is clearly time barred, as per the judgement of the Hon'ble Apex Court in case of UOI vs. Rajeev Bansal (supra). We also note that the present appeal of the assessee is also squarely covered by the order of the Co-ordinate Bench of ITAT, Rajkot in the case of Vallabhbhai Bhagvanjibhai Kathiriya vs. ITO, in ITA Nos.510, 511 and 512/Rjt/2025, order dated 24.11.2025. As the issue is squarely covered in favour of the assessee by the judgement of Hon'ble Apex Court in case of Rajeev Bansal (supra). The assessee's issue is also covered by the decisions of Division Bench of this Tribunal, (ITAT-Rajkot), in the case of



Nileshkumar M. Bhalodi, Vide ITA No.07/RJT/2026, and in the case of Vallabhbhai Bhagvanjibhai Kathiriya (supra) and there is no change in facts and law and the Ld. Sr. DR for the revenue is unable to produce any material to controvert the above said findings of the Hon'ble Supreme Court (supra) and Co-ordinate Bench (supra). Therefore, respectfully following the binding judgement of Hon'ble Apex Court in case of Rajeev Bansal (supra) and the decisions of Division Bench of this Tribunal, (ITAT-Rajkot), in the case of Nileshkumar M. Bhalodi, Vide ITA No.07/RJT/2026, and in the case of Vallabhbhai Bhagvanjibhai Kathiriya (supra), we quash the re-assessment proceedings u/s 147 r.w.s.144B of the Act, dated 31.05.2023.

7. As the reassessment itself is quashed, all other issues on merits of the additions, in the impugned assessment proceedings, are rendered academic and infructuous.

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

Order is pronounced in the open court on 10/02/2026.

Sd/-
(Dr. Dinesh Mohan Sinha)
न्यायिक सदस्य/ **Judicial Member**

Sd/-
(Dr. Arjun Lal Saini)
लेखा सदस्य/**Accountant Member**

Rajkot

Date: 10/02/2026.

True Copy

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

- अपीलार्थी/ The Assessee
- प्रत्यर्थी/ The Respondent
- आयकर आयुक्त/ CIT
- आयकर आयुक्त(अपील)/ The CIT(A)
- विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, सूत/ DR, ITAT, Rajkot
- गार्ड फाईल/ Guard File

By order

Assistant Registrar/Sr.PS/PS
ITAT, Rajkot