

**THE INCOME TAX APPELLATE TRIBUNAL
AHMEDABAD "D" BENCH**

**Before Dr. BRR Kumar, Vice President
And Ms. Suchitra Kamble, Judicial Member**

**ITA No. 1854/Ahd/2025
Assessment Year 2016-17**

The ITO (Exemptions), 2 nd Floor, Old GEB Building, Race Course, Vadodara (Appellant)	Vs	Muslim Islahi Jamat, Vejalpur Road, Godhra, Panchmahal, Godhra PAN: AAETM0698Q (Respondent)
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Assessee by: None
Revenue by: Shri Prateek Sharma, Sr. D.R.

Date of hearing : 17-12-2025
Date of pronouncement : 19-02-2026

आदेश/ORDER

Per Suchitra Kamble, Judicial Member:

This is an appeal filed against the order dated 29-07-2025 passed by National Faceless Appeal Centre (NFAC), Delhi for assessment year 2016-17.

2. The grounds of appeal are as under:-

"1. Whether on the facts and circumstances of the case in law, the Ld.CIT(A), NFAC is justified in quashing the assessment order when the specified authority under Section 151(1) has an extended time till 30 June 2021 to grant approval where the instant case pertains to A.Y. 2016-17, the initial notice u/s 148 of the Act was issued on 30.06.2021 which was within extended period of 03 years from the A.Y. 2016-17.

2. Whether on the facts and circumstances of the case and in law, Ld.CIT(A) is justified in deleting addition of Rs.79,60,000/- made on account of unexplained investment u/s 69 of I.T. Act, 1961.”

3. The assessee is a charitable trust and has not filed return of income. The assessee trust purchased land during the year under consideration at the market value. The Assessing Officer made addition of difference between jantry value and agreement value amounting to Rs. 79,60,000/- and treated the same as unexplained investment u/s. 69 of the Act. The assessee filed appeal before the CIT(A). The CIT(A) allowed the appeal of the assessee as per the guideline of the Hon'ble Supreme Court in case of Union of India vs. Ashish Agarwal 444 ITR 1 and Union of India vs. Rajeev Bansal 469 ITR 46.

4. At the time of hearing, none appeared on behalf of the assessee, therefore, we are proceeding on the basis of the submissions made by the assessee before the CIT(A). The notice u/s. 148 under new regime was issued on 28-07-2022 in the present assessee's case for assessment year 2016-17 and the earlier notice u/s. 148 was issued on 30-06-2021. The assessment was passed on 08-05-2023. From the perusal of the decision of Hon'ble Supreme Court in case of Rajeev Bansal (supra), the notices issued u/s. 148 of the Act under old regime between 01-04-2021 and 30-06-2021 as per TOLA will be a valid notice if the notice u/s. 148 of the Act under the new regime is issued within three years from the end of the relevant assessment year as three years would complete within the period of 20-03-2020 and 30-06-2021. The decision of Hon'ble Gujarat High Court in case of Dhanraj Govindram Kella vs. ITO (R/Special Civil Application No. 6387 of 2023, 5688 of 2023,

22260 of 2022 & 996 of 2023 order dated 8.7.2025) has categorically mentioned that the last date for issuance of notice u/s. 148 as per surviving time for assessment year 2016-17 will be that of 14-06-2022 and in the present assessee's case it was issued thereafter i.e. 28-07-2022. Thus, the notice itself becomes invalid and hence the CIT(A) has rightly given the finding in favour of the assessee thereby quashing the assessment order. The appeal preferred by the Revenue does not survive.

5. In the result, the appeal of the Revenue is dismissed.

Order pronounced in the open court on 19-02-2026

Sd/-
(Dr. BRR Kumar)
Vice President
Ahmedabad : Dated 19/02/2026
a.k.

Sd/-
(Suchitra Kamble)
Judicial Member

आदेश की प्रतिलिपि अग्रेषित / Copy of Order Forwarded to:-

1. Assessee
2. Revenue
3. Concerned CIT
4. CIT (A)
5. DR, ITAT, Ahmedabad
6. Guard file.

By order/आदेश से,

उप/सहायक पंजीकार
आयकर अपीलीय अधिकरण,
अहमदाबाद