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

BEFORE SHRI SANJAY GARG, JUDICIAL MEMBER AND
SHRI NARENDRA PRASAD SINHA, ACCOUNTANT MEMBER

ITA No. 1780/AHD/2025
Assessment Years: 2015-16

Akash Shah, 1st Floor, Cotton Hall, Main Road, Surendranagar, Gujarat - 363001 **[PAN – BFCPS3505J]**	Vs.	**Assistant Commissioner of Income Tax, Circle - 4(1)(1),** Ahmedabad - 380001
(Appellant)		(Respondent)

Assessee by	Shri Mehul Ranpura, AR
Revenue by	Shri Deependra Kumar, SR-DR
Date of Hearing	06.07.2026
Date of Pronouncement	04.08.2026

O R D E R

PER NARENDRA PRASAD SINHA, ACCOUNTANT MEMBER:

This appeal is filed by the assessee against the order of National Faceless Appeal Centre (NFAC), Delhi [hereinafter referred to as "CIT(A)"] dated 12.06.2025 for the Assessment Year (A.Y.) 2015-16 in the proceeding u/s 147 r.w.s 144B of the Income Tax Act [hereinafter referred as "the Act"].

2. There was delay of 23 days in filing of this appeal. The assessee has filed a condonation application explaining the reason for delay. It has been submitted that the appeal papers were duly signed within due date and the filing fee was also paid in time. Thereafter, the documents were

handed to the office assistant for forwarding it to the Chartered Accountant for filing of the appeal. However, the office assistant had kept the appeal papers in general file record by mistake instead of sending the papers to Chartered Accountant's office. An affidavit of Ms. Sapna Dashrath Rajput, the concerned office assistant has also been brought on record. Considering the explanation of the assessee, the delay in filing of the appeal is condoned.

3. The brief facts of the case are that the assessee had filed his return of income for A.Y. 2015-16 on 30.09.2015 declaring total income of Rs.5,51,520/-. The case of the assessee was reopened on the basis of information received by the AO that the assessee had obtained accommodation entry of Rs.19,35,900/- through the broker BMA Wealth Creators Ltd. and also given unsecured loan of Rs. 62,00,000/- to one entry operator Shri Jignesh Shah for obtaining bogus LTCG entry. The assessment was completed u/s. 147 r.w.s. 144B of the Act on 28.05.2023 at total income of Rs. 86,87,420/-.

4. Aggrieved with the order passed of the Assessing Officer (AO), the assessee had filed an appeal before the first appellate authority, which was decided by the Ld. CIT(A) vide the impugned order and the appeal of the assessee was dismissed.

5. Now the assessee is in second appeal before us. The following grounds have been taken in this appeal:

> 1. *The grounds of appeal mentioned hereunder are without prejudice to one another.*

> 2. *The ld. CIT(A) erred on facts as also in law in not deciding ground of appeal related to (i) assessment finalized without providing relevant material (ii) not allowing opportunity of cross examination of party in whose possession data/information were recovered and (iii) not allowing opportunity of hearing through video conferencing during the course of assessment proceeding, though specifically requested to AO in making addition on account of alleged payments.*
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> 3. *That on the facts and in the circumstances of the case and in law, the leamed CIT(A) has grossly erred in dismissing the appeal of the Appellant without properly appreciating the detailed written submissions, evidences and arguments placed on record, thereby rendering the order perverse, arbitrary and bad in law.*
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> 4. *The ld. CIT(A) erred on facts as also in law in confirming addition of Rs. 81,35,900/-being alleged accommodative entries in the form of (i) F & O income of Rs. 19,35,900/- and unsecured loan of Rs. 62,00,000/- from Sanjay Shah Group. The addition made and confirmed is bad in law as also on facts therefore the same may kindly be deleted.*
>
> 5. *Your Honour's appellant craves leave to add, to amend, alter, OR withdraw any OR more grounds of appeal on OR before the hearing of appeal.*

6. The assessee has also taken an additional ground of appeal as under:

> 1. *On the facts and in the circumstances of the case, and in law, the notice issued by JAO u/s.148 is invalid as such notice issued u/s. 148 of the Act dated 08.04.2021 i.e. after inserting provisions of section 144B by Taxation and other laws (relaxation and Amendment of certain provisions) 2020 w.e.f. 01.04.2021 is not in accordance with section 151A of the Act and the same invalid, illegal and bad in law. Therefore, the assessment finalized on such invalid initiation deserves to be quashed and may kindly be quashed."*

7. We will first take up the additional ground raised by the assessee, which is a legal ground and goes to the root of the matter. Shri Mehul Ranpura, the Ld. AR of the assessee submitted that the reopening done in this case was bad in law as notice u/s. 148 of the Act was barred by limitation. He explained that the original notice u/s. 148 of the Act was issued on 08.04.2021, which was within the extended time limit as per Taxation and Other Laws Ordinance, 2020 (TOLA). He has drawn our attention to the judgement of Hon'ble Supreme Court in the case of *Deepak Steel and Power Limited vs. CBDT, (174 taxmann.com 144) (SC)*

wherein it was held that for the A.Y. 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. Reliance was also placed on the decision of Hon'ble Gujarat High Court in the case of *Narendra Maganlal Purohit & Others vs. DCIT, (182 taxmann.com 786) (Gujarat).* The Ld. AR contended that the assessment order passed in pursuance to such invalid notice was *ab initio* null and void.

8. Per Contra Shri Deependra Kumar, the Ld. SR-DR relied upon the order of the lower authorities.

9. We have considered the submissions of the assessee and perused the materials on record. The assessee has contended that reopening proceeding for A.Y. 2015-16 was barred by limitation and the jurisdiction assumed by the Assessing Officer was contrary in law in the light of binding decision of Hon'ble Supreme Court in the cases of *Union of India vs. Rajeev Bansal, (167 taxamann.com 70) (SC) and Deepak Steel and Power Limited (supra)* as well as the judgement of Jurisdictional Gujarat High Court in the case of *Narendra Maganlal Purohit & Others (supra)*. There is no dispute in the fact that the original notice under Section 148 of the Act for A.Y. 2015-16 was issued in this case on **08.04.2021**. The Hon'ble Supreme Court in the case of *Deepak Steel and Power Limited (supra)* while deciding on the issue of notice under Section 148 of the Act for the A.Y. 2015-16 has held as under:

> *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 On Line 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 1 April, 2021 will have to be dropped as they would not fall for completion during period prescribed under the taxation and other laws (Relaxation and Amendment of certain Provisions 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.]

10. The Hon'ble Supreme Court has thus held that all notices issued on or after 1 April, 2021 for the A.Y. 2015-16 will have to be dropped as they would not fall for completion during period prescribed under TOLA. Further, the Delhi and Bombay High Courts in *H.A. Share and Brokers (P.) Ltd. v. ITO [2025] 176 taxmann.com 665 (Delhi)* and *Cherian Nallathu Abraham Annamma v. ITO [2025] 179 taxmann.com 433 (Bom.)* respectively have applied the same principle: that any notice issued under section 148 or deemed to be issued under section 148A(b) for AY 2015-16 after 01.04.2021 is void ab initio. The jurisdictional *Gujarat High Court in Narendra Maganlal Purohit v. DCIT, (supra)* has also followed the ratio of *Rajeev Bansal (supra)* and held that such notices are without authority of law.

11. In the present case, the notice u/s 148 of the Act for A.Y. 2015-16 was issued on **08.04.2021** i.e. after 01.04.2021. In view of the binding position of law as held by the Hon'ble Supreme Court as well as the

Jurisdictional High Court discussed above, the said notice is time-barred and without jurisdiction. Consequently, the assessment order passed u/s 147 of the Act dated 28.05.2023 on the foundation of invalid notice cannot survive. Accordingly, the assessment order passed u/s 147 read with Section 144B of the Act dated 28.05.2023 is quashed. The ground taken by the assessee **is allowed.**

12. Since the appeal of the assessee is allowed on the ground of jurisdiction, we don't deem it necessary to adjudicate the other grounds as taken by the assessee in this appeal.

13. In the result, the appeal of the assessee is **allowed**.

Order pronounced in the Court on 04/08/2026 at Ahmedabad.

Sd/-	***Sd/-***
(SANJAY GARG)	**(NARENDRA PRASAD SINHA)**
Judicial Member	Accountant Member

Dated – 04th August, 2026

Neelesh, Sr. PS ***(True Copy)***

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

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. संबंधित आयकर आयुक्त / Concerned CIT
4. आयकर आयुक्त (अपील) / The CIT(A)
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण / DR, ITAT,
6. गार्ड फाईल /Guard file.

आदेशानुसार/BY ORDER,

उप/सहायक पंजीकार (Dy./Asstt.Registrar)

आयकर अपीलीय अधिकरण, अहमदाबाद / ITAT, Ahmedabad