

आयकर अपीलीय अधिकरण, अहमदाबाद न्यायपीठ 'C' अहमदाबाद।  
**IN THE INCOME TAX APPELLATE TRIBUNAL**  
**“C” BENCH, AHMEDABAD**

**BEFORE MS. SUCHITRA R. KAMBLE, JUDICIAL MEMBER**  
**AND**  
**MAKARAND V.MAHADEOKAR, ACCOUNTANT MEMBER**

**ITA No.1292 to 1296/Ahd/2025**  
**Asstt.Year : 2013-14 to 2017-18**

Yakin Jayantilal Shah C/5, 4 <sup>th</sup> Floor, Austhvinayak Complex Opp: Dariyapur Darvaja Bardolpura Ahmedabad. PAN : BBKPS 5678 E	Vs.	ITO, Ward-2(1)(1) Ahmedabad.
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(Applicant)	(Responent)
Assessee by :	Shri Prakash D. Shah, AR
Revenue by :	Shri Veerabadram Vislavath, Sr.DR

सुनवाई की तारीख /Date of Hearing : 13/10/2025  
घोषणा की तारीख /Date of Pronouncement: 15/10/2025

**आदेश/ORDER**

**PER MAKARAND V. MAHADEOKAR, AM:**

These five appeals by the assessee are directed against the respective orders of the Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi, all dated 12.02.2025, passed under section 250 of the Income Tax Act, 1961, for the Assessment Years 2013–14 to 2017–18, arising out of the reassessment orders passed by the Income Tax Officer, Ward–2(1)(1), Ahmedabad [hereinafter referred to as “Assessing Officer or AO”] under section 147 r.w.s. 144 read with section 144B of the Act.

**2. Condonation of Delay**

2.1 At the threshold, it is noticed that the appeals for the Assessment Years 2013–14 to 2017–18 have been filed with a delay of 35-36 days in each year. The assessee has filed a sworn affidavit for condonation of delay,

explaining the reasons for such delay. Since the contents and circumstances narrated therein are identical for all the years, they are being considered together.

2.2 In the affidavit, the assessee has deposed that the delay occurred due to ignorance of legal proceedings and misinterpretation of law, coupled with a communication gap arising from incorrect email address recorded with the Department. It was explained that the orders of the CIT(A), National Faceless Appeal Centre (NFAC), Delhi were electronically communicated to the email ID of the assessee's former tax consultant (office46110@gmail.com), who did not inform the assessee about the passing of the orders. The assessee's current and correct email ID is chintucreation@gmail.com, as mentioned in Form No. 35. Consequently, the assessee remained unaware of the appellate orders within the prescribed period.

2.3 It was further explained that due to the assessee's absence from town on account of religious functions, he could not access the Income Tax portal in time. Upon his return, when he checked the portal, he realized that the appellate orders had already been passed by NFAC. Thereafter, the assessee immediately took steps to prepare and file the present appeals. It was thus submitted that the delay was neither deliberate nor mala fide but occasioned by bona fide and unavoidable circumstances beyond the assessee's control. The assessee also affirmed that there was no intention to jeopardize the interest of the Revenue or to obtain any undue advantage by the delay and prayed that the delay be condoned in the interest of substantial justice.

2.4 During the course of hearing, the learned Departmental Representative (DR) fairly stated that he had no serious objection to the condonation of the short delay, considering the reasons set forth in the affidavit and the limited period involved.

3. We have carefully perused the contents of the affidavit and the accompanying record. It is a settled position in law, as held by the Hon'ble Supreme Court in Collector, Land Acquisition v. Mst. Katiji & Others (1987) 167 ITR 471 (SC), that when substantial justice and technical considerations are pitted against each other, the cause of substantial justice deserves to be preferred. The Apex Court has further held that "a litigant does not stand to benefit by lodging an appeal late, and refusal to condone delay can result in a meritorious matter being thrown out at the threshold."

3.1 In the present case, the delay is minimal and adequately explained. We are satisfied that the cause for delay is reasonable and bona fide. Accordingly, the delay in filing of all five appeals is condoned, and the appeals are admitted for adjudication on merits.

#### **4. Facts of the Case**

4.1 The facts, as emerging from the orders of the Assessing Officer and the CIT(A), are substantially common across all the assessment years under consideration.

4.2 The assessee is an individual engaged in small business and trading activities. For each of the years under appeal, the assessee had regularly filed returns of income under section 139(1) of the Act, declaring modest taxable income, as detailed in the table below. Subsequently, based on information received from the Investigation Wing, Surat, the Assessing Officer noticed that during the relevant previous years, the assessee had allegedly made substantial cash deposits with Shri Renuka Mata Multi State Urban Co-operative Credit Society Ltd., which according to the AO were disproportionate to the declared sources of income. The information had emanated from the data collected during a search and seizure operation conducted on 26.05.2017 in the case of the said Co-operative Credit Society. On this basis, the AO recorded reasons to believe that income chargeable to tax had escaped assessment and accordingly issued notices under section

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148 of the Act for the respective assessment years after obtaining necessary approval under section 151. The assessee's cases were subsequently selected for reassessment. However, despite issuance of multiple statutory notices under sections 148, 142(1) and 143(2) through the Income Tax Business Application (ITBA) platform, there was no compliance from the assessee. It is recorded that all communications were dispatched to the email address of the assessee's erstwhile tax consultant, which was no longer active. As a result, there was no effective representation or submission from the assessee during the reassessment proceedings.

4.3 In the absence of any explanation or documentary evidence, the AO proceeded to complete the assessments ex parte under section 147 r.w.s. 144 read with section 144B of the Act, treating the cash deposits appearing in the information report as unexplained money under section 69A. The entire deposits were added to the total income, without allowing any deduction or verification of source. The assessments were thus framed solely on the basis of third-party information without conducting any independent inquiry or affording the assessee a reasonable opportunity of being heard.

4.4 The relevant details of the returns filed, assessment proceedings, and additions made are summarised below:

<b>Particulars</b>	<b>A.Y.2013-14</b>	<b>A.Y. 2014-15</b>	<b>A.Y. 2015-16</b>	<b>A.Y. 2016-17</b>	<b>A.Y. 2017-18</b>
<i>Date of filing of original return u/s 139(1)</i>	16.06.2014	31.03.2015	20.09.2015	31.12.2016	29.03.2018
<i>Returned total income (Rs.)</i>	1,87,900/-	2,42,400/-	2,66,740/-	2,87,420/-	3,25,000/-
<i>Date of notice u/s 148</i>	30.03.2021	30.03.2021	30.03.2021	30.03.2021	30.03.2021

<i>Date of assessment order</i>	<i>16.03.2022</i>	<i>09.03.2022</i>	<i>10.03.2022</i>	<i>20.03.2022</i>	<i>11.03.2022</i>
<i>Assessed income (Rs.)</i>	42,57,100/-	53,70,731/-	67,95,307/-	95,65,305/-	72,43,244/-
<i>Addition made u/s 69A (Rs.)</i>	40,69,200/-	51,28,331/-	65,28,567/-	92,78,885/-	69,55,824/-
<i>Nature of addition – Common for all years</i>	<i>Alleged unexplained cash deposit in Renuka Mata Co-op. Credit Society</i>				

**Note:** In computation for the A.Y. 2017-18, the Assessing Officer has taken total income as Rs. 2,87,420/- whereas in the first paragraph of the order the returned income is mentioned at Rs. 3,25,000/- Accordingly in the computation assessed income is Rs. 72,43,244/-. These amounts need to be verified and corrected.

4.5 Aggrieved by the ex-parte reassessments, the assessee preferred appeals before the CIT(A) raising both jurisdictional and substantive grounds. It was submitted that the assessments were vitiated due to non-service of statutory notices, as the Department had sent all communications to an incorrect email ID of the assessee's former consultant. The assessee also submitted a detailed Rule 46A application seeking admission of documentary evidence including bank statements, cash withdrawals, and reconciliations to substantiate the source of deposits.

4.6 The learned CIT(A) examined the assessment orders passed under section 147 r.w.s. 144 read with sections 144B of the Act for all the impugned assessment years. In each year, the CIT(A) recorded that the assessments were completed ex parte under the provisions of section 144, as the assessee had not responded to the notices issued during the assessment proceedings.

4.7 It was noted that the non-compliance was attributable to the fact that all departmental communications were sent to the e-mail ID office46110@gmail.com, which pertained to the assessee's erstwhile Chartered Accountant who had expired prior to issuance of such notices. The CIT(A) observed that, owing to this inadvertent circumstance, the

assessee could not receive the notices and hence was deprived of an effective opportunity of being heard during assessment.

4.8 The CIT(A) further observed that the assessment orders had been passed on the basis of limited material available with the Assessing Officer and without the assessee's participation. The appellate authority, therefore, considered it appropriate to refer to the nature of "best judgment assessment" contemplated under section 144 of the Act. The relevant statutory provision was reproduced, and it was emphasized that such assessments are to be framed on the basis of facts and material available, with fairness and prudence, and after affording the assessee reasonable opportunity of being heard.

4.9 The CIT(A) took cognizance of the amendment introduced by the Finance Act, 2024, by which section 251 of the Act was amended to empower the Commissioner (Appeals) to set aside a best judgment assessment made under section 144 and remit the matter to the Assessing Officer for fresh adjudication. After discussing the legislative background and intent of this amendment, the CIT(A) observed that this provision was introduced to ensure fair opportunity to taxpayers in cases where *ex parte* assessments were framed due to non-compliance of procedural notices.

4.10 Applying the above principles to the facts of the present case, the CIT(A) found that the assessee was prevented by sufficient cause from complying with the notices issued during assessment. The assessee had expressed willingness to furnish the requisite details and evidences before the Assessing Officer. The CIT(A), therefore, held that the ends of justice would be met if the matter was restored to the file of the Assessing Officer for fresh adjudication after providing the assessee due opportunity of being heard.

4.11 Accordingly, in each assessment year, the CIT(A) set aside the *ex parte* assessment order passed under section 147 read with section 144 and

directed the Assessing Officer to make a fresh assessment on merits after considering the submissions and evidences to be furnished by the assessee. In each year, the appeal was thus allowed for statistical purposes.

4.12 Aggrieved by the orders of the CIT(A), the assessee has preferred these appeals before us. In all the years under consideration, the facts, issues, and reasoning of the lower authorities are identical, differing only in the quantum of addition. Following are the grounds of appeal in **ITA No. 1292/Ahd/2025 for A.Y. 2013-14:**

1. *That the learned National Faceless Appeal Centre, Delhi has erred in law and facts by not quashing the notice issued under section 148 of the Act and all the subsequent proceeding and therefore the Order passed by Assessing Officer is required to be quashed.*
2. *That the learned National Faceless Appeal Centre, Delhi has erred in law and facts by not deleting an addition of Rs.40,69,200/- u/s.69A and therefore the Ld. AO is to be directed to delete the said addition made u/s. 69A of the Income Tax Act.*
3. *That your appellant craves a leave to add, alter or amend any grounds at the time of hearing.*

5. During the course of hearing, the learned Authorised Representative (AR) reiterated the facts and submitted that the notice issued under section 148 of the Act and the consequential reassessment order passed under section 147 were without jurisdiction and hence liable to be quashed.

5.1 It was contended that a search and seizure action under section 132 of the Act was conducted on 26.05.2017 in the case of M/s. Shri Renuka Mata Multi-State Urban Co-operative Credit Society Ltd. ("RMM"). During the course of the said search, certain information and materials were allegedly found in relation to the present assessee, including details of cash deposits in the assessee's account maintained with the said society. The AR argued that since the information forming the basis of the reassessment emanated from a search action, the correct course available to the Assessing Officer was to proceed under section 153C and not under section 147/148. Therefore, the reassessment initiated under section 148 was *void ab initio*.

5.2 The AR also drew attention to the recent coordinate bench decision of the ITAT Pune in the case of Adam Haji Amir Hamza Nadaf v. ITO (ITA No. 445/PUN/2025, order dated 15.09.2025), wherein on identical facts relating to deposits in RMM unearthed during the search of the society, the Tribunal held that the reassessment proceedings initiated under section 147 were invalid and that proceedings ought to have been initiated under section 153C. The relevant finding (para 6 of the said order) was placed on record.

5.3 The AR further relied upon the decision of the ITAT Pune Bench in ITO v. Narendra Sampatlal Bafna (ITA No. 688/PUN/2024, order dated 19.08.2024), wherein it was held that when information regarding an assessee's undisclosed transactions emerges from a search at a third-party's premises, proceedings under section 153C alone are permissible and reassessment under section 147 is without jurisdiction.

5.4 In support of the same proposition, reliance was also placed on the ITAT Ahmedabad Bench decision in Mahesh Tekchandani v. ITO (ITA No. 1028/Ahd/2023, order dated 29.05.2024), wherein the Tribunal held that the Assessing Officer, upon receiving information from a search conducted in another case, should have handed over such material to the Assessing Officer of the assessee and initiated proceedings under section 153C instead of directly reopening under section 147.

5.5 The AR submitted that the above judicial ratio is also fortified by the judgment of the Hon'ble Rajasthan High Court in Shyam Sunder Khandelwal v. ACIT [(2024) 161 taxmann.com 255 (Raj.) / Judgment dated 19.03.2024], where it was held that once a search is conducted and information relating to another person is unearthed therein, the Assessing Officer is precluded from invoking section 147 and must mandatorily proceed under section 153C. It was pointed out that the Special Leave Petition filed by the Revenue against this judgment has been dismissed by the Hon'ble Supreme Court.

5.6 In light of the above, the AR urged that the notice issued under section 148 and the consequential reassessment framed under section 147/144B are invalid in law, as the jurisdiction could have been assumed only under section 153C. It was, therefore, submitted that the notice and assessment order deserve to be quashed.

5.7 The AR also pointed out that, despite having specifically raised this jurisdictional ground, the learned CIT(A) has not adjudicated Ground No.1 in the impugned appellate order, as evident from the absence of any discussion or finding thereon. It was submitted that the failure of the CIT(A) to dispose of this ground renders the appellate order incomplete and non-speaking to that extent.

6. The learned Departmental Representative (DR) relied on the order of CIT(A).

7. We have carefully considered the rival submissions, perused the record, and gone through the judicial precedents cited before us. The limited issue arising for our adjudication is whether the reassessment proceedings initiated under section 147 by issuance of notice under section 148 were invalid on the ground that the information forming the basis of reopening had emanated from a search action conducted in the case of *M/s. Shri Renuka Mata Multi-State Urban Co-operative Credit Society Ltd.* and therefore proceedings ought to have been taken, if at all, under section 153C of the Act.

7.1 The Assessing Officer completed the assessment under section 144 read with sections 147 and 144B on the basis of information received from the Investigation Wing that the assessee had deposited substantial cash in the *Shri Renuka Mata Multi-State Urban Co-operative Credit Society Ltd.* during the relevant year. The said information had emanated from a search conducted in the case of the society on 26.05.2017.

7.2 Before the learned CIT(A), the assessee raised the following effective ground:

*“That the proceedings under section 147 r.w.s. 144 r.w.s. 144B of the Income Tax Act and subsequent proceedings are without jurisdiction and bad in law and against the facts of the case, and therefore the order passed by the learned AO is required to be quashed and the addition made therein should be deleted in full and the learned AO be directed to accept the returned income.”*

7.3 In support of this ground, the assessee submitted that the entire basis of reassessment originated from a search action under section 132, and therefore proceedings under section 147 were without jurisdiction. Reliance was placed on the coordinate bench decision in *Mahesh D. Tekchandani v. ITO* (ITA No. 1028/Ahd/2023, order dated 29.05.2024).

7.4 The CIT(A), while discussing the merits of best judgment assessments and the amendment introduced by the Finance Act, 2024 empowering the Commissioner (Appeals) to set aside assessments under section 144, has not specifically adjudicated this jurisdictional ground.

The issue raised requires examination of the interplay between sections 147/148 and 153C of the Act.

7.5 Section 147 empowers the Assessing Officer to reopen an assessment if he has reason to believe that any income chargeable to tax has escaped assessment. Section 153C, on the other hand, applies when *any books of account, documents or assets seized or requisitioned during a search on another person belong to or pertain to or relate to the assessee*. Only then is the Assessing Officer of such “other person” required to proceed in accordance with section 153C.

7.6 Thus, the essential jurisdictional requirement for invoking section 153C is the existence of *seized or requisitioned material belonging to the assessee*. Where no such material exists, and only general information or

data analysis is received from the Investigation Wing, section 147 remains the proper course of action.

7.7 In the present case, there is no material on record suggesting that any books of account, documents, or assets belonging to the assessee were seized during the search on *Shri Renuka Mata Multi-State Urban Co-operative Credit Society Ltd.* The information was merely in the nature of intelligence gathered from the books of the society showing members' cash deposits. Such post-search information, though emanating from a search, cannot be equated with "seized material" as contemplated under section 153C.

7.8 The Assessing Officer, therefore, correctly invoked section 147 on the basis of tangible information indicating escapement of income. The jurisdiction assumed under section 147 cannot be said to be without authority merely because the information had a factual link with a search conducted in another case. In fact it has independent impact on the assessee's case.

7.9 The assessee placed reliance on the decision of this Tribunal in *Mahesh D. Tekchandani v. ITO* (ITA No. 1028/Ahd/2023, order dated 29.05.2024). In that case, the coordinate bench had quashed the reassessment on the ground that the Assessing Officer had relied directly upon seized documents pertaining to the assessee recovered during a search on a third party, thereby attracting section 153C.

7.10 The facts in the present case are clearly distinguishable. There is no finding that any seized material belonging to the assessee was found or relied upon. The reopening is based solely on post-search information regarding cash deposits reflected in the regular books of the Co-operative Society. Accordingly, the ratio of *Mahesh D. Tekchandani* does not assist the assessee.

7.11 The learned Authorised Representative also placed reliance on the decisions of the Pune Bench of the Tribunal in *Adam Haji Hamza Nadaf v. ITO* (ITA No. 445/PUN/2023, order dated 22.02.2024), *Narendra Sampatlal Bafna v. ITO* (ITA No. 688/PUN/2024, order dated 05.06.2024), and the judgment of the Hon'ble Rajasthan High Court in *Shyam Sunder Khandelwal v. ACIT* [(2024) 161 taxmann.com 255 (Raj.)].

7.12 We have carefully perused the precedents of these authorities. In both the Pune Bench decisions, the reassessments were quashed on the ground that the Assessing Officer had founded the reopening directly upon seized documents pertaining to the assessee that were recovered during a search conducted in another case. The Tribunal held that once such seized material "belonging to" or "relating to" the assessee exists, the only permissible course is to invoke section 153C and not section 147.

7.13 The factual matrix in the present case is materially different. The Assessing Officer has not relied on any seized or requisitioned material belonging to the assessee. The information was only in the nature of post-search intelligence compiled from analysis of the regular books and deposits of members maintained by Shri Renuka Mata Multi-State Urban Co-operative Credit Society Ltd. Such general information, though traceable to search proceedings, does not amount to seized material within the meaning of section 153C. Hence, the ratio of the Pune Bench decisions does not apply.

7.14 On the contrary, the Hon'ble Rajasthan High Court in *Shyam Sunder Khandelwal v. ACIT* [(2024) 161 taxmann.com 255 (Raj.)] has, after an elaborate examination of the statutory scheme under sections 153A, 153C and 147, held that when the seized material "belongs to or relates to" a person other than the one searched, proceedings must be initiated under section 153C, and that the jurisdiction under section 147/148 can be exercised only where no incriminating material is found during the search. The Court, while analysing the ratio of *Principal CIT v. Abhisar Buildwell*

Pvt. Ltd. [(2023) 454 ITR 212 (SC)], extracted the paragraph 14 of the Supreme Court's judgment which is reproduced for the sake of clarity:

*In view of the above and for the reasons stated above, it is concluded as under:*

*i) that in case of search under Section 132 or requisition under Section 132A, the AO assumes the jurisdiction for block assessment under section 153A;*

*ii) all pending assessments/reassessments shall stand abated;*

*iii) in case any incriminating material is found/unearthed, even, in case of unabated/completed assessments, the AO would assume the jurisdiction to assess or reassess the 'total income' taking into consideration the incriminating material unearthed during the search and the other material available with the AO including the income declared in the returns; and*

*iv) in case no incriminating material is unearthed during the search, the AO cannot assess or reassess taking into consideration the other material in respect of completed assessments/unabated assessments. Meaning thereby, in respect of completed/unabated assessments, no addition can be made by the AO in absence of any incriminating material found during the course of search under Section 132 or requisition under Section 132A of the Act, 1961. However, the completed/unabated assessments can be re-opened by the AO in exercise of powers under Sections 147/148 of the Act, subject to fulfilment of the conditions as envisaged/mentioned under sections 147/148 of the Act and those powers are saved.*

Applying the above ratio, the Hon'ble Rajasthan High Court in Shyam Sunder Khandelwal (supra) held as under:

*30. The argument that by enactment of Section 153A to 153D has not eclipsed Section 148 does not enhance the case of respondent to initiate the proceedings under Section 148. On fulfilment of two conditions for invoking Section 153C the proceeding in accordance with Section 153A are to be initiated. The operating field of Section 153A to 153D and Section 148 are different. Applicability of Section 153C in cases where the seized material related to or belonged to person other than on whom search is conducted or requisition made does not render Section 148 otiose. Section 148 shall continue to apply to the regular proceedings and also in cases where no incriminating material is seized during the search or requisition.*

...

32. *The argument that Section 153C can be invoked in case there is incriminating material for all the relevant preceding years and otherwise Section 148 is to be resorted to, is misplaced. On satisfaction of the twin condition for proceedings under Section 153C, the AO has to proceed in accordance with Section 153A. Notice is to be issued for filing of the returns for relevant preceding years and thereupon proceed to assessee or reassessee the 'total income'. It is not obligatory on the AO to make assessment for all the years, the earlier orders passed may be accepted. But once there is incriminating material seized or requisitioned belonging or relatable to the person other than on whom search was conducted, Section 153C is to be resorted to.*

7.15 The Hon'ble High Court accordingly quashed the reassessment notices issued under section 148, holding that initiation of proceedings under section 147 on the basis of incriminating material found during the search of another person was without jurisdiction. The Special Leave Petition filed against the aforesaid judgment has been dismissed by the Hon'ble Supreme Court [SLP (Diary No. 28721/2024) dated 09.09.2024].

7.16 In the light of the above judicial exposition, the distinction between "incriminating material" and "information available" becomes crucial. Where the Assessing Officer is in possession of specific seized documents or assets *belonging to or relating to the assessee* found during search of another person, proceedings must necessarily be under section 153C. However, where the Assessing Officer merely receives *information or intelligence* derived from the search, without seizure of material belonging to the assessee, section 147 may validly be invoked. In the present case, there is no evidence on record to suggest that any books of account, documents, or assets belonging to the assessee were seized during the search on *Shri Renuka Mata Multi-State Urban Co-operative Credit Society Ltd.* The Assessing Officer acted upon information emanating from that search.

7.17 In view of the above authoritative pronouncement, it is evident that where incriminating material belonging to or relating to the assessee is found during a search on another person, the Assessing Officer is required to invoke section 153C and not section 147. Conversely, where no such

material exists, reassessment under section 147/148 may validly be initiated.

7.18 We also note that the assumption of jurisdiction under section 153C is conditioned upon the recording of a two-stage satisfaction, in the manner contemplated by the statute itself. Section 153C(1) provides that where the Assessing Officer is satisfied that (a) any money, bullion, jewellery or other valuable article or thing, seized or requisitioned, belongs to a person other than the person referred to in section 153A, or (b) any books of account or documents, seized or requisitioned, pertain to or any information contained therein relates to such other person, then the seized material shall be handed over to the Assessing Officer having jurisdiction over that other person, and that Assessing Officer shall proceed against such other person and issue notice and assess or reassess the income in accordance with section 153A, if that Assessing Officer is satisfied that the seized books of account or documents or assets have a bearing on the determination of the total income of such other person for the six assessment years immediately preceding the search year and for the relevant assessment year or years referred to in section 153A(1). The proviso clarifies that, in the case of such other person, the reference to the date of initiation of search or requisition in the second proviso to section 153A(1) shall be construed as the date of receiving the seized books of account or documents or assets by the jurisdictional Assessing Officer of that other person.

7.19 Applying the above to the present case, no satisfaction, as contemplated by section 153C(1), has been produced before us either of the Assessing Officer of the person searched or of the jurisdictional Assessing Officer of the assessee, nor is there any material showing that seized articles or documents belonging to or relating to the assessee were handed over in the manner required. In the absence of the foundational satisfaction and handover envisaged by section 153C, the precondition to trigger section 153C is not met. Consequently, recourse to section 147 on the basis of information available to the Assessing Officer cannot be faulted on this

ground as per the judgement of the Hon'ble Apex Court in case of *Abhisar Buildwell Pvt. Ltd.* (supra).

7.20 We also noticed that neither the assessment order nor the appellate order expressly recorded the approval obtained under section 151. However, no such ground was raised before the CIT(A) or during assessment proceedings. There is also no evidence on record to suggest that statutory sanction was not obtained. It is well-settled that a presumption of regularity attaches to official acts under section 114(e) of the Indian Evidence Act, 1872. Hence, the absence of express mention does not vitiate the reassessment.

7.21 The learned CIT(A), though not specifically adjudicating the jurisdictional ground, has observed that the assessment was completed ex parte under section 144 and that the assessee now desires to submit details and evidence. Considering the amendment made by the Finance Act, 2024 empowering the Commissioner (Appeals) to set aside best judgment assessments, the CIT(A) has rightly restored the matter to the Assessing Officer for fresh adjudication on merits. Such direction is consistent with section 250(4) and section 251(1)(a) of the Act and ensures proper examination of the assessee's claims while preserving the jurisdictional validity of the reassessment.

7.22 In view of the foregoing discussion, we hold that:

- i. The reassessment proceedings under section 147 were validly initiated based on tangible information.
- ii. Section 153C was not attracted as no seized material belonging to the assessee was found.
- iii. The decisions in *Mahesh D. Tekchandani*, *Abhisar Buildwell (SC)*, *Adam Haji Hamza Nadaf*, and *Narendra Sampatlal Bafna* are distinguishable on facts.
- iv. The absence of express mention of sanction under section 151 does not invalidate the proceedings in the absence of any objection or contrary material.

- v. The CIT(A)'s direction to set aside the assessment for fresh adjudication is in accordance with law and needs no interference.

Accordingly, the ground of the assessee challenging the validity of notice issued under section 148 is dismissed, and the order of the learned CIT(A) is affirmed.

8. In the combined result, all the appeals filed by the assessee are dismissed.

**Order pronounced in the Court on 15<sup>th</sup> October, 2025 at Ahmedabad.**

Sd/-  
**(SUCHITRA R. KAMBLE)**  
**JUDICIAL MEMBER**

Sd/-  
**(MAKARAND V. MAHADEOKAR)**  
**ACCOUNTANT MEMBER**

Ahmedabad, dated 15/10/2025

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