

IN THE INCOME TAX APPELLATE TRIBUNAL "RANCHI" BENCH, RANCHI
(VIRTUAL HEARING AT KOLKATA)

SHRI SONJOY SARMA, JUDICIAL MEMBER
SHRI RATNESH NANDAN SAHAY, ACCOUNTANT MEMBER

I.T.A. No. 266/RAN/2025
Assessment Year : 2018-2019

Smita,

2A, Tirupati Tower, Hatma Morhabadir,
Ranchi University, Ranchi, University
S.O. Ranchi - 834008
[PAN: BLQPS1966P]

..... **Appellant**
vs.

ITO Ward 3(4),

1st Floor, Purty Market,
Tambo Chowk, P.O. Chaibasa,
Distt- West Singhbhum,
Chaibasa - 833201

..... **Respondent**

Appearances by:

Assessee represented by : Akshay Ringasia, AR
Department represented by : Sumit Dasgupta, Sr. DR

Date of concluding the hearing : 22.12.2025
Date of pronouncing the order : 06.01.2026

ORDER

PER SONJOY SARMA, JUDICIAL MEMBER:

This appeal by the assessee against the order of NFAC, Delhi dated 04.07.2025 arises out of the order of the Assessing Officer passed under Section 147 r.w.s. 144 read with section 144B of the Income-tax Act, 1961 ("the Act") for the assessment year 2018-19.

2. Brief facts of the case are that the assessee filed his return of income for the assessment year 2018-19 declaring total income of ₹6,07,870. Subsequently, a notice under section 148 of the Act was issued on the ground that the assessee had sold a flat for a consideration of ₹30 lakhs, whereas the stamp duty value as per State valuation authority was ₹46.50

lakhs, resulting in alleged escapement of income chargeable to tax. The Assessing Officer completed reassessment by adopting the stamp duty valuation and made addition by computing capital gains accordingly, along with levy of tax and interest vide order dated 30.03.2023.

3. Aggrieved, the assessee carried the matter in appeal before the learned CIT(A), who dismissed the appeal and sustained the reassessment as well as the addition made by the Assessing Officer.

4. Dissatisfied with the above order assessee is in appeal before this tribunal. At the time of hearing before us, the assessee filed an application under Rule 11 of the Income-tax (Appellate Tribunal) Rules, 1963 seeking admission of an additional legal ground, contending that the approval obtained under section 151 of the Act for issuance of notice under section 148 was never furnished to the assessee. Therefore, the reassessment proceedings are therefore bad in law. Further, the Assessing Officer adopted stamp duty valuation without referring the matter to the Departmental Valuation Officer (DVO), rendering the assessment invalid.

5. Since the additional ground raised is purely legal in nature and goes to the root of the matter, requiring no further investigation of facts, the same is admitted in view of the judgment of the Hon'ble Supreme Court in National Thermal Power Co. Ltd. vs. CIT (229 ITR 383).

6. The learned counsel for the assessee submitted that though notice under section 148 was issued, the mandatory approval under section 151 of the Act was never supplied to the assessee along with the reasons recorded. From the assessment order also, it is evident that no copy of approval under section 151 of the Act was furnished or served upon the assessee. Non-supply of approval under section 151 of Act vitiates the entire reassessment proceedings. The Ld. AR reliance was placed on the decision of the Hon'ble Delhi High Court in TIA Enterprises Pvt. Ltd. (468

ITR 5), wherein it was held that approval under section 151 of the Act forms an integral part of reassessment proceedings and must be supplied to the assessee. Further reliance was placed on the decision of the ITAT Delhi Bench in Sunil Kumar Jain vs. ITO (ITA No. 2429/Del/2023), wherein it was held that reassessment proceedings are invalid where approval under section 151 was not furnished to the assessee.

7. The learned DR supported the orders of the lower authorities and submitted that the reassessment proceedings were validly initiated.

8. We have carefully considered the rival submissions and perused the material available on record. It is an undisputed fact that though notice under section 148 of the Act was issued to the assessee, the copy of approval granted under section 151 of the Act was not furnished to the assessee. Even the assessment order does not indicate that such approval was ever supplied or served upon the assessee. The Hon'ble Delhi High Court in TIA Enterprises Pvt. Ltd. (supra) has categorically held that approval under section 151 of the Act is a mandatory requirement and must be furnished to the assessee along with the reasons recorded, failing which the reassessment proceedings become invalid. Similarly, the coordinate bench of the Tribunal in Sunil Kumar Jain vs. ITO (ITA No. 2429/Del/2023) held that non-supply of approval under section 151 vitiates the entire reassessment proceedings. We, respectfully following the aforesaid judicial precedents, we hold that the assumption of jurisdiction under section 147 of the Act in the present case is invalid and bad in law due to non-supply of approval under section 151 of the Act.

9. Since the reassessment itself is quashed on legal grounds, we do not deem it necessary to adjudicate the other grounds raised by the assessee on merits.

10. In view of the above, the reassessment order passed under section 147 of the Act is quashed.

11. Accordingly, the appeal of the assessee is allowed.

Order pronounced on 06.01.2026

Sd/-
(Ratnesh Nandan Sahay)
Accountant Member

Sd/-
(Sonjoy Sarma)
Judicial Member

Dated: 06.01.2026

AK, Sr. P.S.

Copy of the order forwarded to:

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

//True copy//

By order

Assistant Registrar, Kolkata Benches