

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH 'E', NEW DELHI**

**Before Sh. Satbeer Singh Godara, Judicial Member  
&**

**Sh. S. Rifaur Rahman, Accountant Member**

**ITA No. 4990/Del/2025 : Asstt. Year : 2021-22**

Narender Nath, C/o Sandeep Goel, Adv. F-26/124, Sector-7, Rohini, Delhi-110085	Vs	DCIT, Central Circle-2, New Delhi-110055
(APPELLANT)		(RESPONDENT)
<b>PAN No. AACPN0022D</b>		

**Assessee by : Sh. Prikshit Aggarwal, CA &  
Sh. Mukul Gupta, Adv.**

**Revenue by : Ms. Amish S. Gupt, CIT-DR**

**Date of Hearing: 08.01.2026**

**Date of Pronouncement: 08.01.2026**

**ORDER**

**Per Satbeer Singh Godara, Judicial Member:**

This assessee's appeal for Assessment Year 2021-22, arises against the CIT(A)-23, Delhi's DIN & order No. ITBA/APL/S/250/2025-26/1078979102(1) dated 28.07.2025, in proceedings u/s 153C r.w.s. 143(3) of the Income Tax Act, 1961 (in short "the Act")

2. Heard both the parties at length. Case file perused.

3. We advert to the assessee's first and foremost substantive ground/legal arguments herein that both the learned lower authorities have erred in law and on facts in framing the impugned section 153C r.w.s. 143(3) assessment dated

30.03.2024; in furtherance to the searched party's Assessing Officer's satisfaction dated 25.03.2023 and his assessing authority on the very date, as the case may be, which has been wrongly upheld in the lower appellate discussion.

4. That being the case, learned CIT-DR vehemently argues that the impugned twin satisfactions herein had been properly recorded by the Assessing Officer(s); be it that of the searched assessee or appellant third party herein. Her case accordingly is that we ought to uphold the same in very terms.

5. We have given our thoughtful consideration to both the party's foregoing rival pleadings. There is hardly any dispute that the learned departmental authorities had carried out the impugned search on 23.03.2021 in M/s KK Spun Group. And that the said searched party's learned Assessing Officer recorded his section 153C satisfaction dated 25.02.2023 for proceeding against assessee/appellant before us. The said learned Assessing Officer appears to have recorded that the corresponding seized document during the course of search "belonged to" the assessee/appellant who happens to be the third party u/s 153C of the Act.

6. Faced with this situation, the Revenue could once again not dispute that section 153C(1)(a) stipulates the category of the seized material as "any money, bullion, jewellery....."

which could be held as belonging to a third person and such documents etc. could only be treated as pertaining to or information therein as relating to such a person. Meaning thereby that the learned Assessing Officer has not properly recorded his satisfaction that the impugned seized documents either pertained to or related to the assessee which forms a conditioned precedent before proceedings him/third person. This tribunal's recent decision in Prashant Premchand Bafana Vs. ACIT IT(SS)A No. 119 & 120/Pun/2022 decided on 08.04.2025 has already settled the very issue in the assessee's favour and against the department. We thus conclude in this backdrop that the impugned assessment dated 30.03.2024 deserves to be quashed since based on an improper section 153C satisfaction. Ordered accordingly.

7. All other remaining pleadings between the parties stand rendered academic.

8. This assessee's appeal is allowed.

Order Pronounced in the Open Court on 08/01/2026.

Sd/-

**(S. Rifaur Rahman)**  
**Accountant Member**

**Dated: 01/08/2026**

\*Subodh Kumar, Sr. PS\*

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

Sd/-

**(Satbeer Singh Godara)**  
**Judicial Member**

**ASSISTANT REGISTRAR**