IN THE INCOME TAX APPELLATE TRIBUNAL,
DELHI BENCH: "SMC" NEW DELHI

BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER

ITA No.76/Del/2026
Assessment Year: 2017-18

Sh. Sahil Garg, G-930, DSIIDC Industrial Area, Narela, New Delhi		Income Tax Officer, Ward-43(3), Delhi
PAN: AWXPG9338G		
(Appellant)		**(Respondent)**

Assessee by	Sh. Sandeep Goel, Adv.
Department by	Sh. Manoj Kumar, Sr. DR

Date of hearing	09.02.2026
Date of pronouncement	09.02.2026

ORDER

This assessee's appeal for assessment year 2017-18, arises against the Commissioner of Income Tax (Appeals)/National Faceless Appeal Centre [in short, the "CIT(A)/NFAC"], Delhi's DIN and order no. ITBA/NFAC/S/250/2025-26/1083737185(1), dated 16.12.2025 involving proceedings under section 147 r.w.s. 144 of the Income-tax Act, 1961 (hereinafter referred to as 'the Act').

Heard both the parties. Case file perused.

2. It emerges during the course of hearing that there arises the first and foremost issue of validity of the impugned section 148A(d) proceedings herein itself initiated vide notice dated 27.07.2022 in

assessment year 2017-18. This is for the precise reason that the learned Assessing Authority had obtained the necessary approval from the PCIT-15, Delhi, than the prescribed authority under section 151(ii) of the Act i.e. *Principal Chief Commissioner or……,* if more than three years have elapsed from the end of the relevant previous year. This clinching factual position has gone unrebutted from the Revenue side. Faced with this situation, I find that the hon'ble jurisdictional high court in Communist Party of India (Marxist) Vs. Income Tax Department, Circle Exempt 1(1), W.P.(C) No.9031/2023, dated 28th April, 2025 has already settled the instant issue in the assessee's favour and against the department that the Assessing Officer's foregoing failure in obtaining proper section 151 approval vitiates the reopening itself as follows:

> *"2. The petitioner is a national political party and is registered under Section 29A of the Representation of Peoples Act, 1951. The petitioner filed its return of income for the assessment year [AY] 2016-17 on 15.10.2016, declaring a NIL income, after claiming exemption under Section 13A of the Income Tax Act, 1961.*
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> *3. The initial notice under Section 148 of the Act for AY 2016-17 was issued on 28.06.2021. The said notice was unsustainable as it was issued in accordance with the statutory regime as existed prior to 31.03.2021. This court in the case of Mon Mohan Kohli v. Assistant Commissioner of Income Tax & Anr.: Neutral Citation No.: 2021:DHC:4181-DB had set aside such notices that were issued after 31.03.2021 without following the procedure as prescribed under Section 148A of the Act. Some of the other High Courts also took a similar view and struck down notices that were issued under Section 148 of the Act after 31.03.2021 but under the unamended provisions relating to the re-assessment of income that had escaped assessment.*
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> *4. The Revenue appealed the decisions rendered by various High Courts to the Supreme Court of India. In Union of India v. Ashish Agarwal: 2022 SCC OnLine SC*

543 - which was one of such appeals arising from the decision of the Allahabad High Court - the Supreme Court delivered its decision on 04.05.2022, whereby it concurred with the view that the amended provisions which came into force after 31.03.2021 would be applicable to notices issued thereafter. However, the Supreme Court also issued certain directions in exercise of powers under Article 142 of the Constitution of India. The Court directed that all notices that were issued under Section 148 of the Act after 01.04.2021 till the date of the said decision (04.05.2022), including those that had been set aside by the High Courts, would be construed as show cause notices under Section 148A(b) of the Act. The Assessing Officers were directed to provide the information and material relied upon by the Revenue for issuance of such notices, to the respective assessees within a period of thirty days from the date of the decision so as to enable the respective assessees to respond to the same.

5. In compliance of the directions issued by the Supreme Court in Union of India & Ors. v. Ashish Agarwal (supra), the AO provided the information to the petitioner on 30.05.2022. The issue raised in the notice pertained to an amount of ₹1,64,50,227/- , which was deposited by the Petitioner in its bank account maintained with the State Bank of Travancore, Kozhikode. It was alleged that the said amount had not been disclosed by the petitioner in its return of income, specifically in column 13(b). The petitioner responded to the said notice on 08.06.2022.

6. By the letter dated 08.06.2022, the petitioner furnished a copy of the bank statement pertaining to the said account maintained with the State Bank of Travancore (now State Bank of India), Kozhikode. The petitioner explained that, although the said bank account had inadvertently not been mentioned in column 13(b) of the return of income, the transactions reflected therein were duly accounted for while preparing the books of account of the petitioner. It was further submitted that the income arising from such transactions was appropriately considered at the time of filing the return of income.

7. The learned AO was not persuaded with the explanation provided by the petitioner and passed an order dated 29.07.2022 under Section 148A(d) of the Act, holding that it was a fit case for reopening the assessment proceedings under Section 147/148 of the Act. The said order was issued with the approval of the Commissioner of Income Tax (Exemption) [CIT(E)] on an assumption that the CIT(E) was a specified authority under the provisions of Section 151 of the Act.

8. The AO issued a notice dated 29.07.2022 under Section 148 of the Act accompanied with the order dated 29.07.2022 passed under Section 148A(d) of the Act. It is the petitioner's case that the said notice is barred by limitation.

9. It is material to note that the original notice under Section 148 of the Act [deemed to be a show cause notice under Section 148A(b) of the Act in terms of the decision in the case of Union of India & Ors. v. Ashish Agarwal (supra)] was issued on 28.06.2021, that is, two days prior to the expiry of the limitation period as extended by virtue of the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020 [TOLA]. Thus, the AO had two days to issue the notice under Section 148 of the Act after receiving the reply dated 08.06.2022 filed by the petitioner. Since the said period was less than seven days, the AO had, by virtue of the fourth proviso to Section 149(1) of the Act, seven days to pass an order under Section 148A(d) of the Act (which was necessarily required to accompany a notice under Section 148 of the Act). The said period expired on 16.06.2022. Therefore, the order passed under Section 148A(d) of the Act was beyond the period of limitation.

10. The impugned notice is also liable to be set aside on the ground that it was issued without the approval of the authority specified under Section 151 of the Act. Since the impugned notice was issued beyond the period of three years from the end of the relevant assessment year, thus, in terms of Section 151(ii) of the Act, the same was required to be approved by the Principal Chief Commissioner or Principal Director General or where there is no such authority, by Chief Commissioner or Director General. The determination of the specified authority for grant of approval under Section 151 of the Act depends on whether the notice under Section 148 of the Act has been issued after the expiry of three years from the end of the relevant assessment year or within the said period.

11. Section 151 of the Act (as amended by the Finance Act, 2021) as in force on the date of issuance of notice read as under:

"151. Sanction for issue of notice.- Specified authority for the purposes of section 148 and section 148A shall be,--

(i) Principal Commissioner or Principal Director or Commissioner or Director, if three years or less than three years have elapsed from the end of the relevant assessment year;

(ii) Principal Chief Commissioner or Principal Director General or where there is no Principal Chief Commissioner or Principal Director General, Chief Commissioner or Director General, if more than three years have elapsed from the end of the relevant assessment year."

12. The question whether the sanction in respect of notices that were issued during the period of limitation as extended by TOLA required the prior sanction in terms of Section 151 of the Act, as in force after 31.03.2021 or as in force prior to the said date, has fell for consideration of this court in several cases including Twylight Infrastructure Pvt. Ltd. v. Income Tax Officer Ward 25 3 Delhi & Ors.: Neutral Citation No.2024:DHC:259-DB and Abhinav Jindal HUF v. Income Tax Officer Ward 54(1) Delhi & Ors.: Neutral Citation No.: 2024:DHC:7238-DB. This court had held that TOLA would have no relevance for determining the specified authority whose approval was mandatory under Section 151 of the Act for issuance of a notice under Section 148 of the Act. We consider it apposite to refer to the following extract from the decision of this court in Abhinav Jindal HUF v. Income Tax Officer Ward 54(1) Delhi & Ors. (supra). The same is set out below:

"17. As was noticed in the introductory parts of this decision, the respondents had, contrary to the above, argued that once a notice for reassessment comes to be issued after the expiry of four years by virtue of the extended period of time made available by TOLA, all the impugned notices would fall within the ken of sub-section (2) of the pre-amendment Section 151 and consequently the sanction and approval accorded by the JCIT would be in accordance with law.

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38. It would therefore be wholly incorrect to read TOLA as intending to amend the distribution of power or the categorisation envisaged and prescribed by Section 151. The additional time that the said statute provided to an authority cannot possibly be construed as altering or modifying the hierarchy or the structure set up by Section 151 of the Act. The issue of approval would still be liable to be answered based on whether the reassessment was commenced after or within a period of four years from the end of the relevant AY or as per the amended regime dependent upon whether action was being proposed within three years of the end of the relevant AY or thereafter. The bifurcation of those powers would continue unaltered and unaffected by TOLA.

39. The fallacy of the submission addressed by the respondents becomes even more evident when we weigh in consideration the fact that even if the reassessment action were initiated, as per the extended TOLA timelines, and thus after the period of four years, Section 151 incorporated adequate measures to deal with such a contingency and in unambiguous terms identified the authority which was to be moved for the purposes of sanction and approval. Section 151 distributed the powers of approval amongst a set of specified authorities based upon the lapse of time between the end of the relevant AY and the date when reassessment was proposed. Thus even if the reassessment was proposed to be initiated with the aid of TOLA after the expiry of four years from the end of the relevant AY, the authority statutorily empowered to confer approval would be the Principal Chief Commissioner /Chief Commissioner /Principal Commissioner /Commissioner. It would only be in a case where the reassessment was proposed to be initiated before the expiry of four years from the end of the relevant AY that approval could have been accorded by the JCIT. Similar would be the position which would emerge if the actions were tested on the basis of the amended Section 151 and which divides the power of sanction amongst two sets of authorities based on whether reassessment is commenced within three years or thereafter."

13. In Twylight Infrastructure Pvt. Ltd. v. Income Tax Officer Ward 25 3 Delhi & Ors.(supra), a Coordinate Bench of this court examined the validity of initiation of reassessment proceedings, in cases where the income alleged to have escaped assessment was ₹50,00,000/- or less. In the aforesaid context, this court also considered the question as to the specified authority, whose prior approval was required and held as under:

"10. As indicated above, the specified authority changes depending on the time limit prescribed in section 151 of the Act. It is on this account that there is a linkage between ruling rendered in Ganesh Dass Khanna [Ganesh Dass Khanna v. ITO, (2024) 460 ITR 546 (Delhi); 2023 SCC OnLine Del 7286; 2023 : DHC : 8187-DB.] and the instant matters.

11. It may also be noted that in Ganesh Dass Khanna [Ganesh Dass Khanna v. ITO, (2024) 460 ITR 546 (Delhi); 2023 SCC OnLine Del 7286; 2023 : DHC : 8187-DB.], we had recorded the stand of the Revenue that the issue concerning limitation and the specified authority are "intertwined". For convenience, the relevant part of the judgment is extracted hereafter (page 567 of 460 ITR):

"24. On behalf of the Revenue, the following broad submissions were made:...

(viii) Both under the unamended 1961 Act and amended 1961 Act, the issue concerning limitation is inextricably intertwined with two aspects:

(a) First, the rank of the authority granting approval/sanction for triggering reassessment proceedings.
(b) Second, the quantum of income which has escaped assessment."
(Emphasis is ours)

12. Clearly, the Revenue advanced the argument of interlinkage between limitation and the ascertainment of the specified authority due to the plain language of the amended section 151 of the Act. Section 151, when read alongside the first proviso to section 148, brings the aspect of inextricable linkage to the fore. 12.1. Clauses (i) and (ii) of section 151 of the amended Act (which has been extracted hereinabove) clearly specify the authority whose approval can trigger the reassessment proceedings. Thus, if three (3) years or less have elapsed from the end of the relevant assessment year, the specified authority who would grant approval for initiation of

reassessment proceedings will be the Principal Commissioner or Principal Director or Commissioner or Director. However, if more than three (3) years from the end of the relevant assessment year have elapsed, the specified authority for according approval for the reassessment shall be the Principal Chief Commissioner or Principal Director General or, where there is no Principal Chief Commissioner or Principal Director General, Chief Commissioner or Director General.

12.2. That the approval is mandatory is plainly evident on perusal of the first proviso appended to section 148 of the Act. The said proviso, at the risk of repetition, reads as follows:

"Provided that no notice under this section shall be issued unless there is information with the Assessing Officer which suggests that the income chargeable to tax has escaped assessment in the case of the assessee for the relevant assessment year and the Assessing Officer has obtained prior approval of the specified authority to issue such notice."

12.3. In these cases, there is no dispute that although three (3) years had elapsed from the end of the relevant assessment year, the approval was sought from the authorities specified in clause (i), as against clause (ii) of section 151.

12.4. Before us, the counsel for the Revenue continue to hold this position. The only liberty that they seek is that if, based on the judgment in Ganesh Dass Khanna [Ganesh Dass Khanna v. ITO, (2024) 460 ITR 546 (Delhi); 2023 SCC OnLine Del 7286; 2023 :
DHC : 8187-DB.], the impugned orders and notices are set aside, liberty be given to the Revenue to commence the reassessment proceedings afresh.

13. Therefore, having regard to the aforesaid, the impugned notices and orders in each of the above- captioned writ petitions are quashed on the ground that there is no approval of the specified authority, as indicated in section 151(ii) of the Act. The direction is issued with the caveat that the Revenue will have liberty to take steps, if deemed necessary, albeit as per law."

14. In J M Financial & Investments Consultancy Services Private Limited v. ACIT, Circle 3(2)(1) & Ors., W.P. No. 1050/2020, decided on 04.04.2022, the Bombay High Court had made observations to the effect that even if the time to issue notice may have been extended by TOLA, the same would not amend the provisions of Section 151 of the Act. The relevant extract of the said decision is set out below:

"5. Respondents have relied upon a letter dated 18th March 2021 issued by one Income Tax Officer, who has given an opinion to the Additional Commissioner of Income Tax that in view of the Taxation and other Laws (Relaxation of Certain Provisions) Act, 2020 (Relaxation Act), limitation, inter alia, under provisions of Section 151(1) and Section 151(2), which were originally expiring on 31st March 2020 stand extended to 31st March 2021. According to the Income Tax Officer, in view of the above, Assessment Year 2015-2016 which falls under the category within four years as on 31st March 2020, the statutory approval for issuance of notice under Section 148 of the Act for the Assessment Year 2015-2016 may be given by the Range Head as per the said provisions. Mr. Sharma clarifies that the Income Tax Officer is only conveying the view of the Principal Commissioner of Income Tax because this letter has been issued on the letterhead of Principal Commissioner of Income Tax.
6. Even for a moment we agree with the view expressed by the Principal Commissioner of Income Tax, still it applies to only cases where the limitation was expiring on 31st March 2020. In the case at hand, the assessment year is 2015-2016 and, therefore, the six years limitation will expire only on 31st March 2022.

Certainly, therefore, the Relaxation Act provisions may not be applicable. In any event, the time to issue notice may have been extended but that would not amount to amending the provisions of Section 151 of the Act.

7. In our view, since four years had expired from the end of the relevant assessment year, as provided under Section 151(1) of the Act, it is only the Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner who could have accorded the approval and not the Additional Commissioner of Income Tax. On this ground alone, we will have to set aside the notice dated 31st March 2021 issued under Section 148 of the Act, which is impugned in this petition. In view thereof, the consequent orders and notices will also have to go."
[emphasis added]

15. In a latter decision in Siemens Financial Services Pvt. Ltd. v. Deputy Commissioner of Income-Tax & Ors.:2023 SCC OnLine Bom 2822, the Bombay High Court reiterated the said view in the following words:

"24. As per section 151 of the Act, the "specified authority" who has to grant his sanction for the purposes of section 148 and section 148A is the Principal Chief Commissioner or Principal Director General or where there is no Principal Chief Commissioner or Principal Director General, the Chief Commissioner or Director General if more than three years have elapsed from the end of the relevant assessment year. The present petition relates to the assessment year 2016-17, and as the impugned order and impugned notice are issued beyond the period of three years which elapsed on March 31, 2020 the approval as contemplated in section 151(ii) of the Act would have to be obtained which has not been done by the Assessing Officer. The impugned notice mentions that the prior approval has been taken of the "Principal Commissioner of Income- tax-8" ("PCIT-8") which is bad in law as the approval should have been obtained in terms of section 151(ii) and not section 151(i) of the Act and the Principal Commissioner of Income- tax-8 cannot be the specified authority as per section 151 of the Act. Further, even in the affidavit-in-reply, the Department has accepted that the approval obtained is of the "Principal Commissioner of Income-tax-8" and, hence, such an approval would be bad in law.

25. The Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, enacted on September 29, 2020 and came into force on March 31, 2020 ([2020] 428 ITR (St.) 29). It, inter alia, provided for a relaxation of certain provisions of the Income-tax Act, 1961. Where any time limit for completion or compliance of an action such as completion of any proceedings or passing of any order or issuance of any notice fell between the period March 20, 2020 to December 31, 2020, the time limit for completion of such action stood extended to March 31, 2021. Thus, the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act only seeks to extend the period of limitation and does not affect the scope of section
26. The Assessing Officer cannot rely on the provisions of the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act and the notifications issued thereunder as section 151 has been amended by the Finance Act, 2021 and the provisions of the amended section would have to be complied with by the Assessing Officer, with effect from April 1, 2021. Hence, the Assessing Officer cannot seek to take the shelter of the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act as a subordinate legislation cannot override any statute enacted by Parliament. Further, the notification extending the dates from March 31, 2021 till June 30, 2021 cannot apply once the Finance Act, 2021 is in existence. The sanction of the specified authority has to be obtained in accordance with the law existing when the sanction is obtained and, therefore, the sanction is required to be obtained by applying the amended section 151(ii) of the Act and since the sanction has been obtained in terms of section 151(i) of the Act,

the impugned order and impugned notice are bad in law and should be quashed and set aside."

16. In Ramachandran Shivan v. Income Tax Officer, W.P. No. 8570/2023 and other connected matters, decided on 04.03.2024, the Madras High Court also referred to the decisions of the Bombay High Court as well as the decision of this court in Twylight Infrastructure Pvt. Ltd. v. Income Tax Officer Ward 25 3 Delhi & Ors. (supra) and expressed the similar view. The relevant extract of the said decision is set out below:

"13. The orders and notices are challenged herein not on the ground that the time limit under preamended section 149 does not apply, but on the ground that sanction was not granted by the specified authority. Therefore, it remains to be considered as to whether the application of the proviso to section 149 has the effect of incorporating by reference to preamended section 151. In order to substantiate the contention that preamended section 151 gets incorporated by reference, learned standing counsel relied on sub-section (2) to the preamended section 149. It should be noticed that the proviso to sub-section (1) of the amended section 149 does not even incorporate the whole of preamended section

149. It merely makes the time limit prescribed therein applicable to the issuance of notices for reassessment in respect of any assessment year beginning before April 1, 2021. A fortiori the proviso certainly does not incorporate preamended section 151 by reference and make it applicable.

14. The next question to be examined is the impact of the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020. Undoubtedly, the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020 extended the time limits under specified enactments, including the Income-tax Act. As per clause (a)(ii) of sub-section(1) of section 3 thereof, time limits for grant of sanction or approval were also extended. Since the petitioner does not challenge the sanction with respect to the time limit, clause (a) of sub-section (1) of section 3 is immaterial. Indeed, the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020, which extends the time limits for completion of specified tasks up to March 31, 2021, itself becomes irrelevant because of the nature of the challenge in these writ petitions.

15. In Siemens Financial Services [Siemens Financial Services Pvt. Ltd. v. Dy. CIT, (2023) 457 ITR 647 (Bom); 2023 SCC OnLine Bom 2822; (2023) 154 taxmann.com 159 (Bom).] , the Division Bench of the Bombay High Court concluded, in substantially similar facts and circumstances, that the amended section 151 and not the preamended section 151 would apply. For reasons set out above, I concur with the conclusion in Siemens Financial Services [Siemens Financial Services Pvt. Ltd. v. Dy. CIT, (2023) 457 ITR 647 (Bom); 2023 SCC OnLine Bom 2822; (2023) 154 taxmann.com 159 (Bom).] and Ganesh Das Khanna v. ITO [(2024) 460 ITR 546 (Delhi); (2023) 6 HCC (Del) 516; (2023) 156 taxmann.com 417 (Delhi).] as subsequently followed in Twylight Infrastructure [Twylight Infrastructure Pvt. Ltd. v. ITO, (2024) 463 ITR 702 (Delhi); 2024 SCC OnLine Del 330.] . Consequently, the validity of sanction for issuing the orders under section 148A(d) and the notices under section 148 should be tested with reference to amended section 151. If so tested, it is evident that sanction was not granted by an authority specified under clause (ii) of section

151. Hence, the orders under section 148A(d) and the notices under section 148 are quashed. As a corollary, the draft assessment orders under section 144B/144C cannot survive and are also quashed.

16. These writ petitions are allowed on the above terms. There will be no order as to costs. Consequently, the connected miscellaneous petitions are also closed."

17. We may also note the view of the Orissa High Court in Ambika Iron and Steel Pvt. Ltd. v. Principal Commissioner of Income Tax: 2022 SCC OnLine Ori 4162 which is also similar to the view as expressed by this court. The relevant extract of the said decision is reproduced below:

"2. In each of these cases, the challenges to a notice issued by the Income- tax Department (hereinafter "Department") under section 148 of the Income-tax Act, 1961, (IT Act) as it stood prior to the amendment by the Finance Act of 2021 with effect from April 1, 2021. In other words, in each of these cases, the notice under section 148 of the Income-tax Act has been issued prior to April 1, 2021. In many of them, in fact, the date of the notice is March 31, 2021.

3. In each of these cases, the relevant assessment year (AY) in relation to which such notice has been issued is more than four years prior to the date of the reopening, i.e., it is beyond four years from the expiry of the assessment year in question and is clearly therefore, time barred in terms of the first proviso to section 147 of the Income-tax Act.

4. The stand of the Revenue that in view of the notifications issued by the Central Government in terms of the provisions of the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020, the said time limits stood extended is clearly untenable as those notifications were issued to deal with the situation arising from the amendment to the Income-tax Act by the Finance Act, 2021 with effect from April 1, 2021 whereas in these cases the notices were issued prior to April 1, 2021.

5. This court had an occasion in similar circumstances to quash an identical notice under section 148 of the Income-tax Act by its order dated November 20, 2019 in Writ Petition (C) No. 7618 of 2009 and which order stood confirmed by this court by the dismissal of the Department's review petition, i. e., RVWPET No. 188 of 2020 by the order dated December 3, 2021 which reads as under :

"1. Although the point made by the Revenue in this review petition is that this court in its order dated November 20, 2019 erred in drawing a distinction between an Additional Commissioner and Commissioner in terms of their authority, the point involved was that for the purpose of section 151(1) of the Income-tax Act, 1961 since the reopening of the assessment was beyond four years, it had to have the prior approval of the Commissioner of Income-tax, and there was no such approval in the present case.

2. Consequently, no ground is made out for reviewing the order dated November 20, 2019 in Writ Petition (C) No. 7618 of 2009.

3. The review petition is dismissed."

6. Indeed in the notice issued under section 148 of the Income-tax Act on March 31, 2021 which has been challenged in Writ Petition (C) No. 41826 of 2021 it has been stated that the notices had been issued after obtaining "necessary satisfaction of the Joint Commissioner of Income-tax Range-I, Cuttack" whereas the Officer authorized to record the necessary satisfaction had to be the Chief Commissioner of Income-tax/Commissioner of Income-tax.

7. For all the aforesaid reasons, in each of the above cases, the impugned notice under section 148 of the Income-tax Act is hereby quashed. The writ petitions are allowed, but in the circumstances, with no order as to costs."

18. In view of the above, the order dated 29.07.2022 passed under Section 148A(d) of the Act is not sustainable. Consequently, the subsequent proceedings, including the assessment order dated 23.05.2023, cannot be sustained. Accordingly, the impugned order passed under Section 148A(d) of the Act, the notice issued under Section 148 of the Act as well as the assessment order dated 23.05.2023 and the demand raised pursuant thereto, are hereby set aside.

19. The petition is, accordingly, allowed."

3. I adopt their lordships' detailed discussion *mutatis mutandis* to accept the assessee's instant legal ground and quash the impugned reopening in very terms. Ordered accordingly.

All other pleadings between the parties on merits stand rendered academic.

4. This assessee's appeal is allowed.

Order pronounced in the open court on 9th February, 2026

Sd/-
(SATBEER SINGH GODARA)
JUDICIAL MEMBER

Dated: 23rd February, 2026.
RK/-
Copy forwarded to:
1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asst. Registrar, ITAT, New Delhi