



आयकर अपीलीय अधिकरण, राजकोट न्यायपीठ, राजकोट।
IN THE INCOME TAX APPELLATE TRIBUNAL, RAJKOT BENCH, RAJKOT
BEFORE DR. ARJUN LAL SAINI, ACCOUNTANT MEMBER
AND
DR. DINESH MOHAN SINHA, JUDICIAL MEMBER

आयकर अपील सं./ITA No. 147/RJT/2026
निर्धारण वर्ष /Assessment Year: (2020-21)

Jigesh Munvar Munvar Nivas, Nr. Jain Temple, Kothara, Tal – Abdasa, Kutch – 370645, Gujarat	बनाम/ Vs.	The ITO, wd – 5, Gandhidham (Mundra), Kutch – 370201, Gujarat
स्थायी लेखासं./जीआइआरसं./PAN/GIR No.: APAPM1847G		
(Appellant)		(Respondent)

निर्धारित की ओर से/Appellant by : Shri R. B. Shah, Ld. AR
राजस्व की ओर से/Respondent by : Shri Abhimanyu Singh Yadav, Ld. Sr. DR
सुनवाई की तारीख/Date of Hearing : 19/03/2026
घोषणा की तारीख/Date of Pronouncement : 15/04/2026

आदेश /ORDER

Per, Dr. Arjun Lal Saini, AM:

Captioned appeal filed by the assessee, pertaining to assessment year (AY) 2020-21, is directed against the order passed under section 250 of the Income-tax Act, 1961 (hereinafter referred to as ‘the Act’) dated 18.12.2025 by the National Faceless Appeal Centre (NFAC), Delhi/ Commissioner of Income Tax (Appeals) [in short ‘Ld.CIT(A)’] which in turn arises out of an assessment order passed by the Assessing Officer (in short ‘AO’) u/s 147 read with section 144B of the Act, dated 15.03.2025.

2. The grounds of appeal raised by the assessee are as follows:

“1. The learned CIT(A) erred in confirming the action of the AO in issuing the Notice u/s 148 of the Act and thereby framing assessment u/s 147 r.w.s.144B of the I.T. Act-1961. The Assessment order is without jurisdiction needs to be held as void, bad in law.



2. *The Learned CIT(A) erred in confirming the action of the AO in making addition of Rs.51,52,212/-, as unexplained money under Section 69A of the I.T.Act-1961.*

3. *The learned CIT(A) erred in confirming the application of Section 115BBE; since the credits represent gross business income from mobile trading and Loan collection services, the penal tax rate is not applicable to the facts of the case.*

4. *The Learned CIT(A) has erred in by facts and law by charging Interest u/s 234A (Rs.15,32,388/-) of the Act and 234B (Rs.24,19,560/-) of the Act.*

5. *The Learned CIT(A) has erred in by facts and law by charging fees for default in furnishing return of income u/s 234F of the Act of Rs.10,000/-.*

6. *The Ld. Assessing Officer has wrongly initiated penalty proceedings u/s 271AAC of the I. T.Act-1961.*

7. *The appellant craves leave to add, alter, or amend any of the grounds of appeal.”*

3. When this appeal was called out for hearing, learned counsel for the assessee invited our attention to the order dated 03.09.2025, passed by the Hon'ble ITAT, Rajkot Bench in the case of M/s Aditya Plastic, in ITA No. 185/Rjt/2024, for AY 2013-14, wherein identical and similar facts have been discussed and adjudicated in favour of assessee. The learned Counsel for the assessee submitted that approval under section 151 of the Act has neither been signed manually nor signed digitally, hence assessment order may be quashed. The Id.Counsel stated that the present appeal is squarely covered by the aforesaid order of the Hon'ble ITAT, Rajkot Bench, a copy of which was also placed before the Bench.

4. Learned Departmental Representative (ld. DR) relied on the order of Assessing Officer.

5. We see no reasons to take any other view of the matter than the view so taken by the Hon'ble ITAT, Rajkot Bench in the case of M/s Aditya Plastic in ITA No. 185/Rjt/2024 for AY 2013-14 vide order dated 03.09.2025. In this order, the ITAT, Rajkot has *inter alia* observed as follows:

“8. We have heard both the parties, perused the material available on record. We note that the approval of the PCIT is without any signature of the Ld.PCIT and without generating any DIN number which is reproduced below:



**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
INCOME TAX DEPARTMENT
OFFICE OF THE PRINCIPAL COMMISSIONER OF INCOME TAX
PCIT 3, RAJKOT**

Approval u/s 151 of the IT Act, 1961

PAN: AAJFA4558N	AY: 2013-14	Dated: 20/03/2020	DIN & Document No : ITBA/AST/S/118/2019-20/1026810985(1)
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Name and Address of Assessee:
ADITYA PLASTIC

Approving Authority Category Income Escaped Amount >= 1 Lakh Income Escaping Assessment (Rs.)	PCIT/CIT Assessment Yes 22,35,842
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Proposal Details:

Name of Officer Designation Date of Proposal Reason(s) to Believe:	KAMLESH KESHAVLAL PANDYA ITO.WD 3(1)(2), RKT 18/03/2020 As per Annexure
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Recommendation Details:

Name Designation Recommended (Yes/No) Recommendation Date Recommendation Remarks	SUHAS JANARDAN MISTRY JCIT RANGE 3(1), RAJKOT Yes 19/03/2020 On examination of the reasons recorded u/s 147, the case is fit for issue of notice u/s 148
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Approval Details:

Name Designation Approval Status Date of Approval Remarks of approving authority	NIRAJ KUMAR PCIT 3, RAJKOT Approved 20/03/2020 On the basis of information in possession of the AO, further verification done by the AO, it has been, prima facie, found that there is a case of escapement of tax and I am satisfied that it is a fit case for issue of notice u/s 148 of the IT Act.
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NIRAJ KUMAR
PCIT 3, RAJKOT

Note: If digitally signed, the date of digital signature may be taken as date of document.
AAYAKAR BHAWAN, RACE COURSE RING ROAD, RAJKOT, Gujarat, 360001
Email: RAJKOT.CIT3@INCOMETAX.GOV.IN

* DIN- Document Identification No.

8.1. Therefore, the Ld.Counsel for the assessee has stated that the approval u/s.151 of the Act dated 30/03/2020 is not signed by the Ld.PCIT and, hence, it is not considered as a valid approval/satisfaction and, thus, the notice u/s.148 of the Act issued on the basis of said approval is bad in law and without jurisdiction. For that, reliance is placed on the judgement of Hon'ble High Court of Allahabad in the case of Vikas Gupta reported at (2022) 142 taxmann.com 253 (Allahabad HC). The relevant part of judgement is reproduced:

13. Thus, as per provision of section 151 of the Income-tax Act, 1961, an assessing officer gets jurisdiction to issue notice to an assessee under section 148 of the Act, 1961 after Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner of Income-tax is satisfied on the reason recorded by the assessing officer that it is a fit case for issuing such notice. The date and time of the approval granted digitally under section 151 of the Act and the date and time of the notice under section 148 of the Act, shows that the satisfaction was recorded by the PCTT digitally after the notice under section 148 was digitally signed.



29. In the present set of facts there was no valid satisfaction recorded by the by the Prescribed Authority under section 151 of the Act, 1961 when the Assessing Officer issued notice to the assessee under section 148 of the Act, 1961. At the time when the notice under section 148 of the Act, 1961 was issued by the Assessing Officer to the petitioner there was no valid satisfaction recorded by the Prescribed Authority ie. the Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner. Subsequent to issuance of the notice under section 148 of the Act, 1961 by the Assessing Officer, the satisfaction under section 151 was digitally signed by the Prescribed Authority. Therefore, the point of time when the Assessing Officer issued notices under section 148, he was having no jurisdiction to issue the impugned notices under section 148 of the Act, 1961. Consequently the impugned notices issued by the Assessing Officer under section 148 of the Act, 1961 were without jurisdiction. The questions no. (a) and (b) are answered accordingly.

8.2. Therefore, based on these facts and circumstances of the case, the assessment order framed by the AO needs to be quashed as there was no approval u/s.151 of the Act for initiating the re-assessment proceedings by the Ld.PCIT, therefore, on this count the assessment order framed by the AO should be quashed.”

6. The Bench has directed the learned DR for the revenue to provide approval under section 151 of the Act, from the assessment records, to verify the fact whether the approval under section 151 of the Act has been signed or not. Accordingly, learned DR for the revenue, provided to the Bench, a copy of the approval under section 151 of the Act, which is reproduced below:



GOVERNMENT OF INDIA
MINISTRY OF FINANCE
INCOME TAX DEPARTMENT
OFFICE OF THE PRINCIPAL
COMMISSIONER OF INCOME TAX
PCIT, Rajkot-1

Approval u/s 151 of the IT Act, 1961

PAN: APAPM1847G	Assessment Year: 2020-21	Date: 04/03/2024	DIN: ITBA/AST/S/118/2023-24/1061929474(1)
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1.	Name of the assessee	JIGESH MUNVAR
2.	Address and e-mail of the assessee	MUNVAR NIVAS, NEAR JAIN TEMPLE, KOTHARA, TAL. ABDASA - KUTCH / Jigesh_munvar@yahoo.com
3.	PAN	APAPM1847G
4.	Status	Individual
5.	Circle/ Ward/ Range/ CIT Charge	ITO WARD - 5, G'DHAM (MUNDRA)/ JCIT RANGE 2(1), RAJKOT / PCIT, Rajkot-1
6.	Assessment year	2020-21
7.	The quantum of income which has escaped assessment	6753680
8.	Approval needed for	Order u/s 148A(d) required for issuance of notice u/s 148
9.	Time limit for current proceedings covered under	u/s 149(1)(a) - for 3 years
10.	Limitation date for issuance of notice u/s 148	31/03/2027
11.	Whether the show cause notice u/s 148A(b) contains the details of the information, as per explanation-1 of Section 148.	Yes
12.	(i) Enquiry conducted (if any), u/s 148A(a)	Yes / 31-JAN-24
	(ii) Whether the show cause notice u/s 148A (b) contains the details of results of enquiry conducted 148A (a).	No
13.	Date of issue of show cause notice to assessee u/s 148A(b)	12-FEB-24
14.	Date by which assessee was required to submit reply to show cause notice u/s 148A(b) or the final extended date	23-FEB-24
15.	Whether any reply received from assessee u/s 148A(b)?	No
16.	Whether personal hearing requested by assessee	No
17.	Whether the provision of Sec, 150(1) are applicable.	No
18.	Reasons for the belief that income has escaped assessment.	Refer Order u/s 148A(d) for details
19.	Recommendations of the Additional/ Joint CIT	Remarks: On perusal facts of the case and facts reported by the Assessing Officer, I agree with the proposal of the AO. It is found to be a fit case

,AAYAKAR BHAWAN, RACE COURSE RING ROAD, RAJKOT, Gujarat, 360001
Email: RAJKOT.CIT1@INCOMETAX.GOV.IN,

Note:- The website address of the e-filing portal has been changed from www.incometaxindiaefiling.gov.in to www.incometax.gov.in.
* DIN- Document identification No.



APAPM1847G- JIGESH MUNVAR
A.Y. 2020-21
ITBA/AST/S/118/2023-24/1061929474(1)

		<p>wherein notice u/s 148 can be issued. Accordingly, the draft order u/s 148A(d) of the I. T. Act, 1961 is forwarded for necessary sanction before issuance of notice u/s 148 of the I. T. Act, 1961.</p> <p>(i) In this case there is escapement of income of Rs.6753680/- So, it fulfills the condition as laid down in the provisions of clause (a) of section 149(1) of the Act.</p> <p>(ii) Since three years or less than three year have elapsed from the end of the relevant assessment year, the Pr. CIT-1, Rajkot is the specified sanctioning authority as per provisions of 151 of the IT Act.</p> <p>Therefore, based on the above observations, which originate from the material/information available on record with the AO, income to the tune of Rs.6753680/-has escaped assessment for the year under consideration within the meaning of clause (i) of explanation 1 to sec 148 of the Act and a fit case for issue of notice u/s 148 of the IT Act, 1961.</p> <p>Name: BALAJI DEBABRATA GUPTA Designation: JCIT RANGE 2(1), RAJKOT Date: 01/03/2024</p>
20.	Recommendations of the CIT/PCIT (where CCIT/PCCIT is the specified authority)	<p>Remarks: N/A Name: N/A Designation: N/A Date:</p>
21.	Recommendations of the CCIT (where PCCIT is the specified authority)	<p>Remarks: N/A Name: N/A Designation: N/A Date:</p>
22.	Reasons for according approval/ rejection by the specified authority to order u/s 148A(d) AND/OR issuance of notice under section 148 of the Income Tax Act, 1961?	<p>Remarks: I have perused the content of draft order u/s. 148A(d) of IT Act submitted by the AO through Range head and I am satisfied that it is a fit case to issue a Notice u/s. 148 of the IT Act. As three years have not elapsed from the end of relevant assessment year, I, as the specified authority u/s. 151 of the IT Act hereby approve the proposal of order u/s. 148A(d) of IT Act.</p> <p>Name: ALOK SINGH Designation: PCIT, Rajkot-1 Date: 04/03/2024</p>



ANNEXURE

1. Assessee did not file his return of income for A.Y. 2020-21. No assessment/reassessment has been made in the case of assessee for year under consideration.

2. On the basis of the information, available on INSIGHT portal under RMS- non filer of ITR category, following transactions have been made by assessee during year under consideration.

S No.	Information Description	Source	Amount Description
1	Payments made by any person in respect of one or more credit cards issued to that person, in a financial year	SBI CARDS AND PAYMENT SERVICES PRIVATE LIMITED(Filer PAN:AAECS5981K)	2187720
2	Payments made by any person in respect of one or more credit cards issued to that person, in a financial year	AXIS BANK LIMITED(Filer PAN: AAACU2414K)	1965575
3	Cash deposits in one or more accounts (other than a current account and time deposit) of a person	AXIS BANK LIMITED(Account Number: 912010064125490)	2233600
Total			6386895

Assessee did not file his return of income despite above mentioned financial transaction. Therefore, prima facie it appears that assessee had income for making above mentioned



transactions.

Further, on perusal of the data available under the TAS module of the INSIGHT, it is gathered that in addition to the above mentioned transactions assessee has also made the following transaction and the same is also required to be verified:-

Information Code	Information Description	Source	Amount Description	Amount (Rs.)
NAD(R)	Sale of securities (settled otherwise than by actual delivery or transfer)	NSE	Aggregate Sale value	52000
TDS-192 (II)	TDS Statement - Salary to employees (Section 192) (Annexure- II)	SHRIRAM TRANSPORT FINANCE COM LTD	Taxable amount from current employer	314494
ACD(R)	Sale or transfer value of securities (depository transactions)	CDSL	Aggregate Sale value	291
Total				366785

Assessee did not file his return of income despite above mentioned financial transaction. Therefore, prima facie it appears that assessee had income to make such huge transactions.

3. Reason for Inquiry:

As per the data received in accordance with Risk management strategy formulated by the Board, the assessee has indulged into above transactions. Before issue notice u/s 148A(b) of the Act, this office require to conduct inquiries as per the provisions of section 148A(a) of the Act from the third parties with whom above transactions have been entered into by the assessee and from the assessee as well. The enquiry is required to be conducted



because of following reasons:-

1. To call for the details and documentary evidences to ascertain the quantum/sources of cash deposits.
 2. To call for the details and documentary evidences to ascertain the quantum/sources of funds out of which cash withdrawals were made and the application of cash withdrawal.
 3. To call for the details and documentary evidences to ascertain the quantum of receipts on which TDS was deducted u/s 192 and to also obtain statements of accounts.
 4. TO call for details to ascertain the correctness of information of sales and purchase of securities in the FY 2019-20.
 5. To ascertain that there is no reporting error and no duplicate reporting of any transaction.
4. On the basis of above, I am satisfied that this is a fit case for enquiry u/s 148A(a) of the I.T. act before reopening the case u/s 147 of the I.T. Act. Hence, for conducting enquiry u/s 148A(a), necessary approval of the Pr. Commissioner from the above mentioned third parties with whom the assessee has undertaken above financial transactions, as well from the assessee of Income tax, is required as per the provision of section 151 of the Income tax Act.

7. We have gone through the above approval given by the Income Tax Authority, under section 151 of the Act and noted that the above approval is neither signed manually nor signed digitally, therefore the re-assessment order framed by the assessing officer is bad in law and hence it should be quashed.

8. As the issue is squarely covered in favour of the assessee by the decision of the ITAT, Rajkot Bench in the case of M/s Aditya Plastic (supra), and there is no change in facts and law and the revenue is unable to produce any material to controvert the aforesaid findings of the Division Bench (supra). We find no reason to interfere in the said order of the Division Bench.



Therefore, respectfully following the binding precedent of the co-ordinate Bench (supra), we allow the appeal of the assessee.

9. In the result, the appeal of the assessee is allowed.

Order is pronounced in the open court on 15/04/2026.

Sd/-

(Dr. Dinesh Mohan Sinha)
न्यायिक सदस्य/ **Judicial Member**

Sd/-

(Dr. Arjun Lal Saini)
लेखा सदस्य/**Accountant Member**

Rajkot

Date: 15/04/2026

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

- अपीलार्थी/ The Appellant
- प्रत्यर्थी/ The Respondent
- आयकर आयुक्त/ CIT
- आयकर आयुक्त(अपील)/ The CIT(A)
- विभागीय प्रतिनिधि, आयकर अपीलीय आधिकरण, सूरत/ DR, ITAT, SURAT
- गार्ड फाईल/ Guard File

By Order

Assistant Registrar/Sr. PS/PS
ITAT, Rajkot