

**INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH "C": NEW DELHI
BEFORE SHRI M. BALAGANESH, ACCOUNTANT MEMBER
AND
SHRI YOGESH KUMAR U.S., JUDICIAL MEMBER**

ITA No. 558/Del/2026
(Assessment Year: 2017-18)

Samunder Saree Centre, 582-584, Katra Asharfi, Chandini Chowk, Delhi	Vs.	DCIT, Circle-46(1), Delhi
(Appellant)		(Respondent)
PAN: ABKFS2039J		

Assessee by :	Shri Mukesh Jain, CA Shri Atul Dhama, Adv
Revenue by:	Shri Om Prakash, Sr. DR
Date of Hearing	10/03/2026
Date of pronouncement	16/04/2026

ORDER

PER M. BALAGANESH, A. M.:

1. The appeal in ITA No. 558/Del/2026 for AY 2017-18, arises out of the order of the Id National Faceless Appeal Centre (NFAC), Delhi [hereinafter referred to as 'Id. CIT(A)', in short] dated 22.12.2025 against the order of assessment passed u/s 147 r.w.s. 144B of the Income-tax Act, 1961 (hereinafter referred to as 'the Act') dated 26.05.2023 by the Assessing Officer, DCIT, Circle-46(1), Delhi (hereinafter referred to as 'Id. AO').

2. The assessee has raised several grounds challenging the validity of assumption of jurisdiction under section 147 of the Act. One such legal issue raised by the assessee is as to whether the assumption of jurisdiction of the Learned AO under section 147 of the Act could be

construed as valid when the approval under section 151 of the Act has been obtained from Learned Principal Commissioner of Income Tax (PCIT) instead of Learned Principal Chief Commissioner of Income Tax (PCCIT) .

3. We have heard the rival submissions and perused the materials available on record. The issue involved is reopening of assessment for the Assessment Year 2017-18. For this purpose, the Learned AO obtained approval under section 151 of the Act from the Learned PCIT which fact is quite evident from the order passed under section 148A(d) of the Act dated 23-7-2022. Since the reopening in the instant case has been made beyond 3 years from the end of the relevant assessment year, the specified sanctioning authority for the purposes of section 148 of the Act is Learned PCCIT. Since the approval in the instant case has been obtained from a wrong authority, the entire reassessment proceedings gets vitiated. Reliance in this regard has been rightly placed by the Learned AR before us on the decision of the Hon'ble Jurisdictional Delhi High Court in the case of Kids Dream International Private Limited vs ACIT in W P (C) 2814/2023 dated 24-2-2025 . The relevant operative portion of the said order is reproduced below:-

"2. As is evident from the above, the solitary question which was canvassed for our consideration was the issue of sanction as contemplated under section 151 of the Income Tax Act, 1961 ["Act"].

3. The reassessment action for Assessment Year ["AY"] 2017-18 came to be commenced immediately after a lapse of three years from the end of the relevant AY. It is in the aforesaid backdrop that Mr. Kantoor, learned counsel, had submitted that the said sanction accorded by the Principal Commissioner of Income Tax ["PCIT"] would not sustain.

*4. We note that while dealing with the said question, we had in **Abhinav Jindal H.U.F. v. Commissioner of Income Tax and Ors** [2024 SCC OnLine Del 6585] duly enunciated the legal position which would obtain. We had ultimately in **Abhinav Jindal** held that the Taxation & Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020 ["TOLA"] provisions*

would have no bearing on the identification of the competent authority under section 151 for according sanction.

5. In view of the aforesaid, and since undisputedly the facts of the present case the sanction was accorded only by the PCIT, the reassessment action would not sustain.

6. Accordingly and for all the aforesaid reasons, we allow the instant writ petition and quash the impugned order referable to section 148A(d) dated 30 July 2022 and notice under section 148 of even date.

4. Similar view was expressed by the Hon'ble Jurisdictional High Court in the case of H and M Hennes and Mauritz Retail P Ltd vs ACIT reported in 174 taxmann.com 1113 (Del HC) dated 14-5-2025.

5. Respectfully following the same, the reassessment proceedings are hereby quashed on this aspect itself.

6. Since the entire reassessment is quashed, the other grounds raised by the assessee both on law as well on facts need not be gone into and they are left open.

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

Order pronounced in the open court on 16/06/2026.

-Sd/-
(YOGESH KUMAR U.S.)
JUDICIAL MEMBER

-Sd/-
(M. BALAGANESH)
ACCOUNTANT MEMBER

Dated: 16/04/2026
A K Keot

Copy forwarded to

1. Applicant
2. Respondent
3. CIT
4. CIT (A)