

Principal Commissioner of Income Tax, Madurai v. Chokkalingam Thangavel

T.C.A. No. 38 of 2026

T.C.A. No. 38 of 2026 (Mad HC, decided 12.06.2026) | 2026-06-12

Section 148 reassessment notice issued on 07.04.2022 for AY 2018-19 (beyond 3 years from end of AY) with approval only of Principal Commissioner under section 151(i) instead of Principal Chief Commissioner under section 151(ii) is void for want of jurisdiction.

Income-tax Act, 1961: sections 147, 148, 148A, 151(i), 151(ii) and 260A

High Court of Judicature at Madras | 2-judge bench (Division Bench) | Sushrut Arvind Dharmadhikari, CJ. | G. Arul Murugan, J.

Assessment years: 2018-19

Sanction hierarchy under section 151(ii) determined by the actual date of section 148 notice (07.04.2022) after expiry of 3 years from AY 2018-19

For AY 2018-19, the three-year period from the end of the relevant assessment year expired on 31.03.2022. Because the notice under section 148 was issued on 07.04.2022 (beyond three years), sanction of the higher authority specified in section 151(ii) (Principal Chief Commissioner / Chief Commissioner / Director General) was mandatory, and approval granted by the Principal Commissioner of Income Tax under section 151(i) rendered the reassessment invalid. Verify the exact notice date and applicable Finance Act version of section 151 before applying.

01 FACTS OF THE CASE

The assessee individual, Chokkalingam Thangavel, filed his return for AY 2018-19 declaring Rs. 15,74,560. Following information regarding cash deposits of Rs. 2,26,35,668 in Karur Vysya Bank, the Assessing Officer issued a notice under section 148A(b) on 21.03.2022, passed an order under section 148A(d), and issued a reassessment notice under section 148 on 07.04.2022 after obtaining prior approval from the Principal Commissioner of Income Tax, Madurai-1. A reassessment order was passed on 29.03.2023 determining total income at Rs. 1,92,43,397, which the CIT(A) affirmed. On appeal, the ITAT Chennai 'B' Bench (order dated 31.01.2025 in ITA No. 1396/Chny/2024) quashed the reassessment on the ground that since the section 148 notice was issued on 07.04.2022—after the expiry of three years from the end of AY 2018-19 (31.03.2022)—approval was required from the Principal Chief Commissioner under section 151(ii), not the Principal Commissioner under section 151(i).

Source: [Paragraphs 3-7; PDF pp. 3-5](#)

02 DISCUSSION BY THE HON'BLE COURT

The Division Bench noted that the identical question of law had already been decided against the Revenue by the coordinate Division Bench in *Core Logistic Company v. Assistant Commissioner of Income-tax*, [2025] 175 taxmann.com 451 (Madras) (following the Supreme Court's ruling in *Union of India v. Rajeev Bansal*, [2024] 167 taxmann.com 70 (SC) and *Ramachandran Shivan v. ITO*). For AY 2018-19, the three-year limitation window ended on 31.03.2022. Even though the preliminary show-cause notice under section 148A(b) was issued on 21.03.2022, the jurisdictional notice under section 148 was issued on 07.04.2022—after more than three years had elapsed from the end of AY 2018-19. Consequently, the specified authority competent to grant sanction was the Principal Chief Commissioner / Chief Commissioner under section 151(ii), and sanction accorded by the Principal Commissioner under section 151(i) was without jurisdiction, vitiating the notice and consequential reassessment order.

Source: [Paragraphs 8-13; PDF pp. 5-8](#)

03 JUDICIAL DECISION

Holding that the issue was squarely covered against the Revenue by *Core Logistic Company* (supra), the High Court answered the substantial questions of law in favour of the assessee and dismissed T.C.A. No. 38 of 2026 with no order as to costs.

Source: [Paragraphs 13-14; PDF p. 8](#)

04 OUTCOME / IN WHOSE FAVOUR

In favour of the assessee (*Chokkalingam Thangavel*). The Revenue's appeal was dismissed and the quashing of the section 148 notice dated 07.04.2022 and reassessment order dated 29.03.2023 stood affirmed.

Source: [Paragraphs 13-14; PDF p. 8](#)

05 AKHB REVIEW POINT

AKHB analysis: in every AY 2018-19 reassessment where the section 148A(b) notice was issued in late March 2022 but the section 148A(d) order and section 148 notice were issued on or after 01.04.2022, check the approval copy attached to the notice. If sanction was granted by a PCIT/CIT under section 151(i) rather than a PCCIT/CCIT/DGIT under section 151(ii), the notice is jurisdictionally void under Rajeev Bansal and Core Logistic Company.

Source: [AKHB analysis based on paragraphs 7-13 / PDF pp. 4-8](#)

SOURCE & VERIFICATION

[Madras High Court official judgment PDF - AKHB Cloud Repository](#)

Eight-page official Madras High Court judgment PDF in T.C.A. No. 38 of 2026; paragraphs 1-14 span PDF pages 1-8.

Supplied source-reviewed note retained; original bytes and identity validation checked in this release. Substantive re-review is not claimed for this record.

[Open cited source rendition](#)

Full 8-page official Madras High Court PDF read and verified. Original bytes match SHA-256
a0529cef3c43ff54f7366b7c3034c211ea573b6ca7086ce26a82853242c7b20d.

STATUTORY SCOPE

Applies sections 148, 148A and 151(i)/(ii) of the Income-tax Act, 1961 (as substituted by the Finance Act, 2021) for AY 2018-19. Income-tax Act, 2025 equivalence is not verified.

LATER TREATMENT

Source checked 2026-10-16. Full judgment checked. Follows coordinate Division Bench decision in Core Logistic Company v. Assistant Commissioner of Income-tax, [2025] 175 taxmann.com 451 (Madras) (which applied Union of India v. Rajeev Bansal, [2024] 167 taxmann.com 70 (SC) and Ramachandran Shivan v. ITO, W.P. (MD) No. 15750 of 2022). Comprehensive subsequent judicial treatment has not been verified.

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

PROFESSIONAL DISCLAIMER

General research information only; not legal or tax advice, a certified judgment or a substitute for the full order. Applicability depends on facts, assessment year, statutory version and jurisdiction. Subsequent treatment is unverified unless identified sources are expressly stated. Downloading does not create a professional engagement. Obtain case-specific advice before reliance.