STATUTORY COMPARISON / MAP-369D4DC71C51

Revenue revision: retained substantive test, changed residual limitation

RENUMBERED | SUBSTANTIVELY CHANGED

1961 ACT / 263 - REVISION OF ORDERS PREJUDICIAL TO REVENUE

Section 263 permits revision of an erroneous order prejudicial to revenue, with hearing, deemed-error categories, partial appellate merger and limitation provisions.

2025 ACT / 377 - REVISION OF ORDERS PREJUDICIAL TO REVENUE

Section 377 reorganises the same architecture and defines Competent Authority; subsection (7) adds a minimum sixty-day balance after specified limitation exclusions.

READING CHRONOLOGY

01 Operative provisions / 02 Change analysis / 03 Transition / 04 Compliance / 05 Disputes / 06 Expert Commentary

02 PRECISE CHANGE ANALYSIS

The error-and-prejudice standard, inquiry provisions, transfer-pricing coverage and four deemed-error categories are retained in 377(1)-(3). Competent Authority is expressly defined in 377(8)(a).

The ordinary period remains two years from the end of the financial year in which the order sought to be revised was passed. However, 377(7) extends the remaining period to sixty days where the balance after 377(6) exclusions is shorter. No corresponding residual sixty-day provision appears in the displayed section 263.

Section 377(2)(c) retains the boundary for matters considered and decided in appeal. The exception for orders giving effect to specified appellate findings or directions remains separately stated in 377(5).

03 TRANSITION AND EFFECTIVE DATES

Section 536(2)(c) preserves the 1961 Act and its procedure for pending proceedings and proceedings initiated on or after 1 April 2026 concerning tax years beginning before that date. The date of a notice or order alone does not determine the governing Act.

Section 377(7) should not be imported into a revision governed by saved section 263. Section 536(2)(k) additionally prevents revival merely because the new Act supplies a longer period or extension mechanism.

04 COMPLIANCE IMPACT

Retain assessment queries, replies and supporting evidence so that the record shows what verification occurred. Maintain an issue-by-issue appellate disposal schedule rather than assuming that any appeal protects the whole order.

Calculate limitation from the actual order under revision and document exclusions and certified-copy receipt dates. Under section 377, separately test the sixty-day balance.

05 ASSESSMENT AND LITIGATION IMPACT

A reply should identify the alleged error, its revenue consequence, the precise deemed-error limb and the inquiry record. The fact that a claim was allowed does not by itself describe which statutory condition for revision is invoked.

Where limitation is contested, distinguish the ordinary deadline, excluded periods and the new residual extension. The legal effect of the extension depends first on which Act governs the proceeding.

06 AKHB EXPERT COMMENTARY

The most consequential difference lies in time computation rather than in the familiar revision formula. A file can be substantively well defended yet procedurally vulnerable if its limitation chart simply copies a legacy section 263 template.

The preserved appeal boundary also demands precision. Demonstrate that the particular matter was considered and decided, using the operative appellate record; the mere existence of an appeal is insufficient to describe the statutory exclusion. This focused approach is stronger than a broad contention that the assessment as a whole has merged.

STATUTORY SOURCES AND PINPOINTS

1961 Act, section 263 - subsections (1)-(3), Explanations

2025 Act, section 377 - subsections (2)(c), (3)-(8)

2025 Act, section 536 - subsection (2)(c), (k)

SOURCE AND ANALYTICAL SCOPE

Comparison of CBDT consolidated 2026 section texts retrieved locally on 5 October 2026, checked against official section pages on 18 October 2026. This is a current-text comparison, not a claim that every difference was introduced by the 2025 Act as originally enacted. No case-law propositions or professional signoff are asserted. Direct headless API revalidation was denied; source-page access succeeded.

Status labels describe the analysed provision and may coexist: a provision can be renumbered and substantively changed. Retained does not certify every surrounding rule or notification. Commentary is separate from the legislation.

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