



आयकर अपीलीय अधिकरण, जयपुर न्यायपीठ, जयपुर
IN THE INCOME TAX APPELLATE TRIBUNAL, JAIPUR BENCHES,"B" JAIPUR

डा० एस. सीतालक्ष्मी, न्यायिक सदस्य एवं श्री राठौड़ कमलेश जयन्तभाई, लेखा सदस्य के समक्ष
BEFORE: DR. S. SEETHALAKSHMI, JM & SHRI RATHOD KAMLESH JAYANTBHAI, AM

आयकर अपील सं./ITA. Nos. 247 to 251/JPR/2024
निर्धारण वर्ष / Assessment Years : 2013-14 to 2015-16, 2017-18 to 2018-19

Shri Dependra Singh 9, Patharaj Newai, Tonk.	बनाम Vs.	The ACIT, Central Circle-2, Jaipur.
स्थायी लेखा सं./जीआईआर सं./PAN/GIR No.: CICPS1057D		
अपीलार्थी / Appellant		प्रत्यर्थी / Respondent

निर्धारिती की ओर से / Assessee by : Shri Rohan Sogani, C.A.
राजस्व की ओर से / Revenue by : Mrs. Alka Gautam, CIT-DR
सुनवाई की तारीख / Date of Hearing : 23/07/2025
उद्घोषणा की तारीख / Date of Pronouncement : 15/10/2025

आदेश / ORDER

PER: RATHOD KAMLESH JAYANTBHAI, AM

These are the five appeals filed by the assessee against the separate orders of learned Commissioner of Income Tax (Appeals-4), Jaipur, all the orders were passed on 5.01.2024 as per provision of section 250 of the Income Tax Act, 1961 [for short Act] for the assessment years 2013-14 to 2015-16, 2017-18 to 2018-19 respectively. That order was passed by the Id. CIT(A) because the assessee challenged the order of the assessment all dated

26.12.2019 passed u/s. 143(3) r.w.s. 153C of the Act by the DCIT,
Central Circle-2, Jaipur [for short AO]

2. As the issues involved in all these appeals arise from a common set of facts and identical legal issues, these appeals are heard together and are disposed of by this consolidated order.

2.1 The assessee has raised the following grounds of appeal *vide* **ITA No. 247/JPR/2024 for A.Y 2013-14**as under:-

“1. In the facts and circumstances of the case and in law, Id. CIT(A) has erred in, confirming the action of the Id. AO in assuming jurisdiction in the case of the assessee under Section 153C and passing order therein, not in accordance with the provision of law. The action of the Id. CIT(A) is illegal, unjustified, arbitrary and against the facts of the case. Relief may please be granted by quashing the entire proceedings, being not in accordance with provision of Section 153C.

2. In the facts and circumstances of the case and in law, Id. CIT(A) has erred in confirming the action of the Id. AO, in making addition of Rs. 80,000, under Section 69A of the Income-Tax Act, 1961. The action of the Id. CIT(A) is illegal, unjustified, arbitrary and against the facts of the case. Relief may please be granted by deleting the entire addition of Rs. 80,000, made by the Id. AO and confirmed by the Id. CIT(A).

3. In the facts and circumstances of the case and in law, Id. CIT(A) has erred in confirming the action of the Id. AO, in making addition of Rs. 40,00,000, under Section 69 of the Income-Tax Act, 1961. The action of the Id. CIT(A) is illegal, unjustified, arbitrary and against the facts of the case. Relief may please be granted by deleting the entire addition of Rs. 40,00,000, made by the Id. AO and confirmed by the Id. CIT(A).

4. In the facts and circumstances of the case and in law, Id. CIT(A) has erred in confirming the action of the Id. AO, in invoking provisions of Section 115BBE of the Income Tax Act, 1961. The action of the Id. CIT(A) is illegal, unjustified, arbitrary and against the facts of the case. Relief may please be granted by quashing the invocation of Section 115BBE, as being not in accordance with the relevant law.

5. The assessee craves his right to add, amend or alter any of the grounds on or before the date of hearing.”

2.2 The assessee has raised the following grounds of appeal

vide ITA No. 248/JPR/2024 for A.Y 2014-15 as under:-

“1. In the facts and circumstances of the case and in law, Id. CIT(A) has erred in, confirming the action of the Id. AO in assuming jurisdiction in the case of the assessee under Section 153C and passing order therein, not in accordance with the provision of law. The action of the Id. CIT(A) is illegal, unjustified, arbitrary and against the facts of the case. Relief may please be granted by quashing the entire proceedings, being not in accordance with provision of Section 153C.

2. In the facts and circumstances of the case and in law, Id. CIT(A) has erred in confirming the action of the Id. AO, in making addition of Rs. 11,40,000, under Section 69A of the Income-Tax Act, 1961. The action of the Id. CIT(A) is illegal, unjustified, arbitrary and against the facts of the case. Relief may please be granted by deleting the entire addition of Rs. 11,40,000, made by the Id. AO and confirmed by the Id. CIT(A).

3. In the facts and circumstances of the case and in law, Id. CIT(A) has erred in confirming the action of the Id. AO, in making addition of Rs. 1,64,99,581, under Section 68 of the Income-Tax Act, 1961. The action of the Id. CIT(A) is illegal, unjustified, arbitrary and against the facts of the case. Relief may please be granted by deleting the entire addition of Rs. 1,64,99,581, made by the Id. AO and confirmed by the Id. CIT(A).

4. In the facts and circumstances of the case and in law, Id. CIT(A) has erred in confirming the action of the Id. AO, in invoking provisions of Section 115BBE of the Income Tax Act, 1961. The action of the Id. CIT(A) is illegal, unjustified, arbitrary and against the facts of the case. Relief may please be granted by quashing the invocation of Section 115BBE, as being not in accordance with the relevant law.

5. The assessee craves his right to add, amend or alter any of the grounds on or before the date of hearing.”

2.3 The assessee has raised the following grounds of appeal

vide ITA No. 249/JPR/2024 for A.Y 2015-16 as under:-

"1. In the facts and circumstances of the case and in law, Id. CIT(A) has erred in, confirming the action of the Id. AO in assuming jurisdiction in the case of the assessee under Section 153C and passing order therein, not in accordance with the provision of law. The action of the Id. CIT(A) is illegal, unjustified, arbitrary and against the facts of the case. Relief may please be granted by quashing the entire proceedings, being not in accordance with provision of Section 153C.

2. In the facts and circumstances of the case and in law, Id. CIT(A) has erred in confirming the action of the Id. AO, in making addition of Rs. 13,13,000, under Section 68 of the Income-Tax Act, 1961. The action of the Id. CIT(A) is illegal, unjustified, arbitrary and against the facts of the case. Relief may please be granted by deleting the entire addition of Rs. 13,13,000, made by the Id. AO and confirmed by the Id. CIT(A).

3. In the facts and circumstances of the case and in law, Id. CIT(A) has erred in confirming the action of the Id. AO, in making addition of Rs. 24,46,250, under Section 68 of the Income-Tax Act, 1961. The action of the Id. CIT(A) is illegal, unjustified, arbitrary and against the facts of the case. Relief may please be granted by deleting the entire addition of Rs. 24,46,250, made by the Id. AO and confirmed by the Id. CIT(A).

4. In the facts and circumstances of the case and in law, Id. CIT(A) has erred in confirming the action of the Id. AO, in invoking provisions of Section 115BBE of the Income Tax Act, 1961. The action of the Id. CIT(A) is illegal, unjustified, arbitrary and against the facts of the case. Relief may please be granted by quashing the invocation of Section 115BBE, as being not in accordance with the relevant law.

5. The assessee craves his right to add, amend or alter any of the grounds on or before the date of hearing."

2.4 The assessee has raised the following grounds of appeal

vide ITA No. 250/JPR/2024 for A.Y. 2017-18 as under:-

"1. In the facts and circumstances of the case and in law, Id. CIT(A) has erred in, confirming the action of the Id. AO in assuming jurisdiction in the case of the assessee under Section 153C and passing order therein, not in accordance with the provision of law. The action of the Id. CIT(A) is illegal, unjustified, arbitrary and against the facts of the case. Relief may please be granted by quashing the entire proceedings, being not in accordance with provision of Section 153C.

2. In the facts and circumstances of the case and in law, Id. CIT(A) has erred in confirming the action of the Id. AO, in making addition of Rs. 85,00,000, under Section 69A of the Income-Tax Act, 1961. The action

of the Id. CIT(A) is illegal, unjustified, arbitrary and against the facts of the case. Relief may please be granted by deleting the entire addition of Rs. 85,00,000, made by the Id. AO and confirmed by the Id. CIT(A).

3. In the facts and circumstances of the case and in law, Id. CIT(A) has erred in confirming the action of the Id. AO, in invoking provisions of Section 115BBE of the Income Tax Act, 1961. The action of the Id. CIT(A) is illegal, unjustified, arbitrary and against the facts of the case. Relief may please be granted by quashing the invocation of Section 115BBE, as being not in accordance with the relevant law.

4. The assessee craves his right to add, amend or alter any of the grounds on or before the date of hearing.”

2.5 The assessee has raised the following grounds of appeal

vide ITA No. 251/JPR/2024 for A.Y 2018-19 as under:-

“1. In the facts and circumstances of the case and in law, Id. CIT(A) has erred in, confirming the action of the Id. AO in assuming jurisdiction in the case of the assessee under Section 153C and passing order therein, not in accordance with the provision of law. The action of the Id. CIT(A) is illegal, unjustified, arbitrary and against the facts of the case. Relief may please be granted by quashing the entire proceedings, being not in accordance with provision of Section 153C.

2. In the facts and circumstances of the case and in law, Id. CIT(A) has erred in confirming the action of the Id. AO, in making addition of Rs. 73,80,580, under Section 69A of the Income-Tax Act, 1961. The action of the Id. CIT(A) is illegal, unjustified, arbitrary and against the facts of the case. Relief may please be granted by deleting the entire addition of Rs. 73,80,580, made by the Id. AO and confirmed by the Id. CIT(A).

3. In the facts and circumstances of the case and in law, Id. CIT(A) has erred in confirming the action of the Id. AO, in invoking provisions of Section 115BBE of the Income Tax Act, 1961. The action of the Id. CIT(A) is illegal, unjustified, arbitrary and against the facts of the case. Relief may please be granted by quashing the invocation of Section 115BBE, as being not in accordance with the relevant law.

4. The assessee craves his right to add, amend or alter any of the grounds on or before the date of hearing.”

3. Brief facts of the case are that a search and seizure operation under Section 132 of the Act was conducted in the case of Kiran Fine Jewellers Group. During the course of search, certain incriminating material was found from the premises of Shri Jaipal Singh. From his premises, incriminating material in the form of diary and some loose papers were seized. Based on such seized material, notices under Section 153C were issued to the assessee for assessment years 2013-14 to 2018-19. The Id. AO thereafter framed separate assessments for each year making additions based upon such seized material.

Aggrieved, the assessee preferred appeals before the CIT(A), Jaipur, who dismissed the appeals and confirmed the additions based on the reasoning given in the order. Feeling dissatisfied with that order of the Id. CIT(A) the has preferred the present appeal.

4. During the course of hearing before us, the assessee also filed an Additional Ground of appeal under Rule 11 of the Income Tax (Appellate Tribunal) Rules, 1963, challenging the validity of the approval granted under Section 153D of the Act. The Additional

Ground is common for all assessment years and is reproduced as under:-

“In the facts and circumstances of the case and in law, Id. AO has erred in passing the Assessment Order u/s 153C without obtaining proper approval, as mandated u/s 153D of the Act. The action of the Id. AO is illegal, unjustified, arbitrary and against the facts of the case. The entire assessment order deserves to be quashed on grounds of this infirmity of law.”

5. It was submitted by the Id. AR of the assessee that the Additional Ground sought to be raised relates to a pure legal issue. According to the Id. AR, all relevant facts necessary for its adjudication are already available on record and no further investigation of fresh facts is required. Accordingly, the Id. AR of the assessee requested for admission of Additional Ground. In support of this proposition, the Id. AR placed reliance before us on the judgment of the Hon'ble Supreme Court in the case of **National Thermal Power Co. Ltd. vs. CIT [1998] 229 ITR 383 (SC)**.

On the other hand, since this being the additional ground based on the set of facts already on record the Id. DR did not raised any objection for admission of the additional ground.

6. We have carefully considered the prayer for admission of additional ground. Since it is legal in nature, and all the necessary

facts are already available on record, we deem it appropriate to admit additional grounds for adjudication.

7. Apropos to the additional ground so raised Id.AR of the assessee submitted that the approval under Section 153D was granted in the present case was accorded in a mechanical manner and thereby the validity of that proceeding becomes illegal. Attention was drawn to the letter of approval placed on record, which contained only a blanket statement of grant of approval without any reference to draft assessment orders, seized material, or appraisal report. It was contended by the Id. AR of the assessee that the approving authority is statutorily required to examine the seized material, appraisal report, enquiries made by the Investigation Wing, and replies of the assessee, and then apply his independent mind before granting approval. It was further contended that in the present case, approval was granted for multiple years through a consolidated letter, whereas the law requires separate application of mind and approval for each assessment year. In this regard, Id. AR of the assessee also filed submission in support of this legal proposition, which being

common for all the years under consideration, is accordingly reiterated herein below :-

1. It is submitted that assessing officer before passing the assessment order, framed under section 153C, is required to take approval from the Joint Commissioner under section 153D of the Act, if the Assessing Officer is below the rank of Joint Commissioner. For the purpose of approval, the Approving Authority is required to see all search material including incriminating material, seized documents, appraisal reports, enquiries made by the Investigation Wing and various enquiries made by the Assessing Officer during the assessment proceedings and the reply submitted by the assessee, and after due application of mind and ascertaining that the Assessing Officer has appreciated the search material and other evidences in proper perspective, has to give approval.
2. However, in the present case, the approval u/s 153D has been granted in a mechanical manner. Screenshot of the relevant approval is reproduced for your reference:

भारत सरकार / Government of India
कार्यालय / Office of the
अपर आयकर आयुक्त, केन्द्रीय खण्ड
Addl. Commissioner of Income-tax, Central Range
एन.ए.-101, केन्द्रीय राजस्व भवन, स्टैच्यू सर्किल, जयपुर-302001
NA-101, Central Revenue Building, Statue Circle, Jaipur-302001
फोन / फेक्स: 0141-2227612 / 2227652

क्र.-अ.आ.आयुक्त / केन्द्रीय खण्ड / जयपुर / 2019-20/225 दिनांक 20.12.2019
आयकर उपायुक्त,
केन्द्रीय खण्ड-2, जयपुर।

Sub-Approval u/s 153D of the I.T. Act, 1961 in the case of
Sh. Dipendra Singh (PAN-CICPS1057D) for the AYs 2012-13
to 2018-19 (Kiran Fine Jewellers Group) - regarding-

कृपया आपके कार्यालय के पत्र क्रमांक 3014 दिनांक 20.12.2019 का संदर्भ लेते, जिसके तहत आपने आयकर अधिनियम की धारा 143(3) r.w.s. 153C के निर्धारण आदेशों के प्रारूप धारा 153D के अन्तर्गत अनुमोदनार्थ प्रेषित किये हैं, जिनका विवरण निम्नानुसार है:-

S. No.	Name of the assessee	PAN No.	A.Y.	Returned Income	Assessed Income
1	Sh. Dipendra Singh	CICPS1057D	2012-13	1,75,850/-	1,75,850/-
2	--do--	--do--	2013-14	2,50,750/-	43,30,750/-
3	--do--	--do--	2014-15	8,55,470/-	1,84,95,050/-
4	--do--	--do--	2015-16	13,40,080/-	50,99,330/-
5	--do--	--do--	2016-17	15,96,410/-	15,96,410/-
6	--do--	--do--	2017-18	31,58,180/-	1,16,58,180/-
7	--do--	--do--	2018-19	28,13,990/-	1,01,94,570/-

आपके द्वारा प्रेषित उपरोक्त निर्धारण आदेशों के संशोधित प्रारूप आयकर अधिनियम की धारा 153D के अन्तर्गत अनुमोदित किये जाते हैं।

सहस्र-निर्धारण रिकार्ड सात बोल्यूम।

(अभिषेक शर्मा)
अपर आयकर आयुक्त,
केन्द्रीय खण्ड, जयपुर।

3. It is to be noted that there is not even a token mention of the draft orders having been perused by the approving authority. The letter simply grants an approval. In other words, even the bare minimum requirement of the approving authority having to indicate what the thought process involved was is missing in the aforementioned approval letter. While elaborate reasons need not be given, there has to be some indication that the approving authority has examined the

draft orders and finds that it meets the requirement of the law. Reliance is placed on the judgement of **Hon'ble Supreme Court** in the case of **ACIT vs. Serajuddin and Co [2024] 163 taxmann.com 118 (SC) [CLC 2-3]** wherein Hon'ble SC affirmed the order of High Court that the requirement of prior approval of superior officer before an order of assessment or reassessment is passed pursuant to a search operation is a mandatory requirement of section 153D and that such approval is not meant to be given mechanically and while elaborate reasons need not be given, but there has to be some indication that approving authority has examined draft orders and finds that it meets requirement of law **[Headnotes reproduced]**

4. Reliance is also placed on the judgment of Hon'ble Supreme Court in the case of **Sahara India vs. CIT & Others' [2008] 216 CTR 303 (S.C.) [2008] 7 DTR (SC) 27** wherein it was held that:

“while discussing the requirement of prior approval of Chief Commissioner or Commissioner in terms of provision of section 142(2A) of the Act, opined that the requirement of previous approval of the Chief Commissioner or Commissioner in terms of said provision being an inbuilt protection against arbitrary or unjust exercise of power by the assessing officer, **casts a very heavy duty on the said high-ranking authority to see it that the approval envisaged in the section is not turned into an empty ritual.** The Hon'ble Apex Court held that the approval must be granted only on the basis of material available on record and the approval must reflect the application of mind to the facts of the case”

5. Similar decision has been passed by **Hon'ble Supreme Court** in the case of **Principal Commissioner of Income-tax vs. Anuj Bansal [2024] 165 taxmann.com 3 (SC) [CLC 14-15]** wherein SLP was dismissed and affirmed the order of Hon'ble High Court of Delhi that “The Tribunal was right that there was absence of application of mind by the ACIT in granting approval under Section 153D”
6. It is further submitted that approval granted by the approving authority has to be for **each assessment year separately.** The words 'each assessment year' used in Section 153D have been considered to hold that effective and proper meaning has to be given so that underlying legislative intent as per scheme of assessment of Section 153A to 153D is fulfilled.
7. It is important to note that the provisions contained in sections 153A to section 153D provide for **separate notice to be given to assessee for assessment for each year as specified in section 153A/153C of the Act;** the assessee has to file **separate ITR for each year** as specified in section 153A/153C of the Act; **separate assessment**

orders are to be passed for each year as specified in section 153A/153C of the Act.

8. Therefore, the careful and conjoint reading of Section 153A(1)/153C and Section 153D leave no room for doubt that approval with respect to "each assessment year" is to be obtained by the Assessing Officer on the draft assessment order before passing the assessment order under section 153A/153C.
9. It is submitted that in the present case, the approving authority has granted approval for the assessee for all assessment years through a single approval letter which is against the intent of law and therefore, the approval granted is non-est and consequential assessment made on this basis of such approval is illegal and deserves to be quashed.
10. Reliance is placed on the following judgments to support the contention of the assessee that approval u/s 153D is to be provided for each assessment year separately.

i) Hon'ble High Court of Allahabad in the case of Principal Commissioner of Income-tax vs. Sapna Gupta [2023] 147 taxmann.com 288 (Allahabad) [CLC 30-34]

Section 153D requires that the Assessing Officer shall obtain prior approval of the Joint Commissioner in respect of "each assessment year" referred to in clause (b) of sub-section (1) of section 153A which provides for assessment in case of search under section 132. Section 153A(1)(a) requires that the assessee on a notice issued to him by the Assessing Officer would be required to furnish the return of income in respect of "each assessment year" falling within six assessment years (and for the relevant assessment year or years), referred to in clause (b) of sub-section (1) of section 153A. The proviso to section 153A further provides for assessment of the total income in respect of each assessment year falling within such six assessment years (and for the relevant assessment year or years). 18. The careful and conjoint reading of section 153A(1) and section 153D leave no room for doubt that approval with respect to "each assessment year" is to be obtained by the Assessing Officer on the draft assessment order before passing the assessment orders under section 153A.

The careful and conjoint reading of Section 153A(1) and Section 153D leave no room for doubt that **approval with respect to "each assessment year"** is to be obtained by the Assessing Officer on the draft assessment order before passing the assessment order under section 153A.

Following the above decision, **Hon'ble High Court of Allahabad has affirmed the aforementioned findings in the below noted cases:**

- **Principal Commissioner of Income-tax vs. Siddarth Gupta [2023] 147 taxmann.com 305 (Allahabad)**
- **Principal Commissioner of Income-tax vs. Subodh Agarwal [2023] 149 taxmann.com 373 (Allahabad)**

ii) Hon'ble High Court of Delhi in the case of Principal Commissioner of Income-tax vs. MDLR Hotels (P.) Ltd [2024] 166 taxmann.com 327 (Delhi) [CLC 24-29]

Tribunal quashed assessment order by holding that approval granted under section 153D was not valid as Competent Authority accorded approval to as many as 246 proposed assessments by way of single letter of approval without application of mind and approval so granted did not even refer to any seized material/assessment records or any other documents which could suggest that Authority had duly applied his mind before granting approvals. Held, yes [Para 5] [In favour of assessee] [Headnotes reproduced]

iii) Hon'ble High Court of Delhi in the case of Principal Commissioner of Income-tax vs. Shiv Kumar Nayyar [2024] 163 taxmann.com 9 (Delhi) [CLC 19-23]

It is observed that the Court in the case of Sapna Gupta (supra) refused to interdict the order of the ITAT, which had held that the approval under Section 153D of the Act therein was granted without any independent application of mind. The Court took a view that the approving authority had wielded the power to accord approval mechanically, inasmuch as, it was humanly impossible for the said authority to have perused and appraised the records of 85 cases in a single day. It was explicitly held that the authority granting approval has to apply its mind for "each assessment year" for "each assessee" separately.

11. Following the decisions of the aforementioned High Courts, various benches of the Hon'ble Tribunal have also taken a similar view in accepting the contention of the assessee:

- Hon'ble ITAT, Delhi Bench in the case of **Harish Bajaj vs. DCIT ITA no. 2218 to 2223/Del/2023[CLC 38-47]**
- Hon'ble ITAT, Delhi Bench in the case of **Wave Industries Pvt Ltd. vs. DCIT ITA no. 5241/Del/2015[CLC 35-37]**

- Hon'ble ITAT, Pune Bench in the case of **Santosh Subhashappa Mukta vs. DCIT [ITA no. 18,19 and 20/Pun/2021[CLC 48-58]**
- **Jurisdictional ITAT i.e., Jaipur ITAT in the case of Resonance Eduventures Ltd. vs. ACIT. Kota ITA No. 669 to 672/JPR/2024 [59-90]**

In view of the above entire assessment order passed without appropriate approval as mandated u/s 153D is illegal and deserves to be quashed.”

8. In support of the submissions, reliance was placed on the following decisions, copy which have been placed before us by the Id. AR of the assessee in a case law paper book, the index of that reads as under ;

1.	Copy of order of Hon'ble Supreme Court in the case of ACIT vs.Serajuddin and Co [2024] 163 taxmann.com 118 (SC)
2.	Copy of order of Hon'ble Orissa High Court in the case of ACIT vs.Serajuddin and Co [2023] 150 taxmann.com 146 (Orissa)
3.	Copy of order of Hon'ble Supreme Court in the case of PCIT vs.Anuj Bansal [2024] 165 taxmann.com 3 (SC)
4.	Copy of order of Hon'ble Delhi High Court in the case of PCIT vs.Anuj Bansal [2024] 165 taxmann.com 2 (Delhi)
5.	Copy of order of Hon'ble Delhi High Court in the case of PCIT vs.Shiv Kumar Nayyar [2024] 163 taxmann.com 9 (Delhi)
6.	Copy of order of Hon'ble Delhi High Court in the case of PCIT vs.MDLR Hotels (P.) Ltd [2024] 166 taxmann.com 327 (Delhi)
7.	Copy of order of Hon'ble Allahabad High Court in the case of PCIT vs.Sapna Gupta[2023] 147 taxmann.com 288 (Allahabad)
8.	Copy of order of Hon'ble ITAT, Delhi Bench in the case of Shri Wave Industries Pvt. Ltd, vs. DCIT [ITA No. 5241/Del/2015]
9.	Copy of order of Hon'ble ITAT, Delhi Bench in the case of Shri Harish Bajaj, vs. DCIT [ITA No. 2218 to 2223/Del/2023]

10.	Copy of order of Hon'ble ITAT, Pune Bench in the case of Shri Santosh Subhashappa Mukta, vs. ACIT [ITA No. 18, 19 & 20/PUN/2021]
11.	Copy of order of Hon'ble ITAT, Jaipur Bench (Jurisdictional ITAT) in the case of Resonance Eduventures Ltd vs. ACIT [ITA No. 669 to 672/JPR/2024]

9. Per Contra, Id. DR supported the orders of the lower authorities and submitted that the approval was validly granted and the order has been passed in accordance with the law with proper approval of the competent authority. She refer the content of the provision which reads as under

Prior approval necessary for assessment in cases of search or requisition.

153D. No order of assessment or reassessment shall be passed by an Assessing Officer below the rank of Joint Commissioner in respect of each assessment year referred to in clause (b) of sub-section (1) of [section 153A](#) or the assessment year referred to in clause (b) of sub-section (1) of [section 153B](#), except with the prior approval of the Joint Commissioner:

Provided that nothing contained in this section shall apply where the assessment or reassessment order, as the case may be, is required to be passed by the Assessing Officer with the prior approval of the Principal Commissioner or Commissioner under sub-section (12) of [section 144BA](#).

She based on the above provisions vehemently submitted that the approval is subjective terms was duly accorded and thereby she stands by the orders of the lower authority.

10. We have carefully considered the rival submissions, perused the material placed on record, and examined the legal precedents relied upon.

As is evident from the additional ground raised by the assessee in all these cases though the written submissions and arguments were made on the merits of the disputes but since we are taking up the legal ground for adjudication as the same is going to the roots of the legality of the present proceedings we would like to take it first.

The assessee in the additional legal ground so raised submitted that the Id. AO has erred in passing the Assessment Order u/s 153C without obtaining proper approval of the cases for the year under consideration, as mandated u/s 153D of the Act. The action of the Id. AO is illegal, unjustified, arbitrary and against the facts of the case and thereby the entire assessment order deserves to be quashed on grounds of this infirmity of law.

Apropos to this ground our attention was drawn to the approval of the assessment proceeding granted as per the letter issued by the Addl. Commissioner of Income Tax, Central Range, Jaipur who being the approving authority of the impugned order under challenge and that approval letter reads as under;

भारत सरकार / Government of India
कार्यालय / Office of the
अपर आयकर आयुक्त, केन्द्रीय खण्ड
Addl. Commissioner of Income-tax, Central Range
एन.ए.-101, केन्द्रीय राजस्व भवन, स्टैच्यू सर्किल, जयपुर-302005
NA-101, Central Revenue Building, Statue Circle, Jaipur-302005
फोन/फैक्स: 0141-2227612 / 2227652

क्र.-अ.आ.आयुक्त/केन्द्रीय खण्ड/जयपुर/2019-20/2325 दिनांक 15.12.2019
आयकर उपायुक्त,
केन्द्रीय वृत्त-2, जयपुर।

Sub:-Approval u/s 153D of the I.T. Act, 1961 in the case of
Sh. Dipendra Singh (PAN-CICPS1057D) for the AYs 2012-13
to 2018-19 (Kiran Fine Jewellers Group) - regarding-

कृपया आपके कार्यालय के पत्र क्रमांक 3014 दिनांक 20.12.2019 का संदर्भ लें, जिसके तहत आपने आयकर अधिनियम की धारा 143(3) r.w.s. 153C के निर्धारण आदेशों के प्रारूप धारा 153D के अन्तर्गत अनुमोदनार्थ प्रेषित किये हैं, जिनका विवरण निम्नानुसार है:-

S. No.	Name of the assessee	PAN No.	A.Y.	Returned Income	Assessed Income
1	Sh. Dipendra Singh	CICPS1057D	2012-13	1,75,850/-	1,75,850/-
2	--do--	--do--	2013-14	2,50,750/-	43,30,750/-
3	--do--	--do--	2014-15	8,55,470/-	1,84,95,050/-
4	--do--	--do--	2015-16	13,40,080/-	50,99,330/-
5	--do--	--do--	2016-17	15,96,410/-	15,96,410/-
6	--do--	--do--	2017-18	31,58,180/-	1,16,58,180/-
7	--do--	--do--	2018-19	28,13,990/-	1,01,94,570/-

आपके द्वारा प्रेषित उपरोक्त निर्धारण आदेशों के संशोधित प्रारूप आयकर अधिनियम की धारा 153D के अन्तर्गत अनुमोदित किये जाते हैं।

सलंगन-निर्धारण रिकार्ड सात वोल्यूम।

S.T.A

15/12/2019

(अभिषेक शर्मा)

अपर आयकर आयुक्त,
केन्द्रीय खण्ड, जयपुर।

As is evident from the above approval so granted that the same was granted as per section 153D of the Act in the present case was granted by a consolidated letter covering multiple assessment years.

The approval does not disclose any reference to the seized material, the appraisal report, or the draft assessment orders, nor does it contain any reasoning to demonstrate application of mind by the approving authority. This view was serviced as legal precedent of the Hon'ble Supreme Court in **ACIT vs. Serajuddin**

& Co. [2024] 163 taxmann.com 118 (SC) wherein the Apex Court held that approval u/s 153D is a *mandatory safeguard* and cannot be granted mechanically. Further, in **PCIT vs. Anuj Bansal [2024] 165 taxmann.com 3 (SC)**, Hon'ble Supreme Court upheld the finding that absence of application of mind by the approving authority renders the approval invalid. It has also been held by the Hon'ble Allahabad High Court in **PCIT vs. Sapna Gupta [2023] 147 taxmann.com 288 (All HC)**, that approval must be granted separately for *each assessment year*. Hon'ble Delhi High Court in **PCIT vs. MDLR Hotels (P) Ltd [2024] 166 taxmann.com 327 (Del HC)** and in **PCIT vs. Shiv Kumar Nayyar [2024] 163 taxmann.com 9 (Del HC)** quashed approvals granted in bulk for multiple assessments without application of mind. These judgments reinforce the principle that approval under Section 153D is not a mere administrative ritual but a substantive safeguard, which must be exercised judiciously for each assessment year independently. That view was also consistently followed by the various benches of the ITAT for which reference was made to the decision of ITAT Delhi Benches in **Harish Bajaj vs. DCIT, ITA No. 2218 to 2223/Del/2023** and **Wave Industries Pvt. Ltd. vs. DCIT ITA 5241/Del/2015**, ITAT Pune in **Santosh Subhashappa Mukta**

vs. DCIT, ITA 18,19 & 20/PUN/2021, where assessments framed on the basis of mechanical approvals u/s 153D were held to be invalid and quashed.

Since the facts of the case on hand and the facts of the case laws as cited herein above on being consistent with the legal precedent of the case laws of the Hon'ble Supreme Court, the Hon'ble High Courts, and consistently applied by the coordinate benches of the Tribunal, we hold that the approval granted u/s 153D in the present case was accorded in a mechanical and consolidated manner, without due application of mind and without separate consideration of each assessment year. Such approval being invalid, the consequential assessment orders framed u/s 153C read with Section 153D for Assessment Years 2013-14 to 2018-19 cannot be sustained in law and are therefore quashed.

In result, the additional ground taken by the assessee is allowed for all these years.

Since the appeals are disposed of on this legal ground, adjudication of the other grounds raised on merits becomes academic in nature and does not require separate consideration.

In the result, the appeals of the assessee in ITA. No. 247 to 251/JPR/2024 are allowed.

Order pronounced in the open Court on 15/10/2025.

Sd/-

(डा० एस. सीतालक्ष्मी)
(Dr. S. Seethalakshmi)
न्यायिक सदस्य / Judicial Member

Sd/-

(राठोड कमलेश जयन्तभाई)
(Rathod Kamlesh Jayantbhai)
लेखा सदस्य / Accountant Member

जयपुर / Jaipur

दिनांक / Dated:- 15/10/2025

*Ganesh Kumar, Sr. PS

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

1. अपीलार्थी / The Appellant- Shri Dipendra Singh, Tonk.
2. प्रत्यर्थी / The Respondent- ACIT, Central Circle-2, Jaipur.
2. आयकर आयुक्त / CIT
4. आयकर आयुक्त / CIT(A)
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, जयपुर / DR, ITAT, Jaipur.
6. गार्ड फाईल / Guard File { ITA Nos. 247 to 251/JPR/2024 }

आदेशानुसार / By order

सहायक पंजीकार / Asst. Registrar