

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH “SMC”: NEW DELHI**

Ms. MADHUMITA ROY, JUDICIAL MEMBER

ITA No. 5749/DEL/2025
Assessment Year: 2020-21

M/s Space Kraft Infrastructure (P) Ltd., 195, Basement, Ram Vihar, Laxmi Nagar, Anand Vihar, SO East Delhi-110092.	<u>Vs</u>	Income Tax Officer, Ward 49(2), Delhi.
PAN: AAICA 6669 A		
APPELLANT		RESPONDENT
Assessee represented by	Sh. Lalit Mohan, CA	
Department represented by	Sh. Manoj Kumar, Sr. DR	
Date of hearing	06.11.2025	
Date of pronouncement	06.11.2025	

ORDER

PER Ms. MADHUMITA ROY, JM:

The instant appeal, filed by the assessee, is directed against the order dated 30.08.2025 (DIN: ITBA/APL/M/250/2025-26/1080191205(1) passed by the Commissioner of Income Tax (Appeals)-30, New Delhi, arising out of the order dated 03.03.2025 passed by the ACIT, Central Circle-32, New Delhi, under

Section 147 of the Income Tax Act, 1961 (hereinafter referred to as “the Act”), for assessment year 2020-21.

2. Facts of the case, in brief, are that for A.Y. 2020-21 the assessee filed its return of income on 09.02.2021 declaring total income of Nil and book profit under MAT of Rs. 5,997/- under section 139 of the Income Tax Act, 1961. Subsequently, on the basis of information received from documents seized during the search under Section 132 of the Act conducted on 17.11.2021 on Galaxy Group, Shri Pradeep Indra Prasad Agrawalla and entry providers Shri Deepak Agarwal and Shri Himanshu Verma that the assessee was the beneficiary of accommodation entry to the tune of Rs. 11,00,000/- from the entities controlled by entry operators, after getting approval from the competent authority u/s 148/151 of the Act, a notice u/s 148 was issued on 22.03.2024 by the Ward 24(1), New Delhi, requiring the assessee to file its return of income u/s 148 of the Act. The matter was finalized upon making addition in the hands of the assessee which was confirmed by the Learned First Appellate Authority. Hence, the instant appeal before this Tribunal.

3. The assessee’s grievance is on account of legal ground to this effect that the notice under Section 148 of the Act was bad in law for the particular fact that the approval under Section 151 of the Act, appearing at pages 68-71 of the paper book ought to have been issued under the signatures of the “PCIT, Delhi-7” as entioned

at the top of page 68. However, this approval is not signed by the said authority and in that view of the matter in the absence of any valid approval the entire proceedings are vitiated and thus liable to be quashed. On this particular ground was raised before the Learned CIT(A), as mentioned in para 7 page 32 of the CIT(A)'s order, wherein assessee also relied on several judgments in support of the case made out for invalid approval granted by the PCIT, but without any result.

4. Before us, the assessee placed reliance on very many judgments including the Order of the ITAT in the case of J Kumar Infraprojects Ltd. v. DCIT [ITA No. 4147/Mum/2024 dated 3.7.2025]. On the identical facts and circumstances of the matter we find that considering the approval not being signed by the concerned authority particularly the PCIT herein the reassessment order passed under Section 147 of the Act is quashed. We note that the Learned DR has not been able to controvert the facts as raised by the assessee's Counsel Shri Lalit Mohan to controvert the finding of the Learned CIT(A) by relying upon the ratio laid down by very many judgments as relied upon by the learned AR.

5. Having heard the Learned Counsels appearing for the parties and having regard to the facts and circumstances of the matter and particularly keeping in view the approval granted by the PCIT not being signed the notice issued under Section 148 of the Act initiating reassessment proceedings against the assessee is found to

be invalid, bad in law, arbitrary and illegal, having no legal foundation and thus quashed. Ordered accordingly.

6. In the result, assessee's appeal is allowed.

Order pronounced in open court on 06.11.2025.

Sd/-
(Ms. MADHUMITA ROY)
JUDICIAL MEMBER

Dated: **12.11.2025**.

MP

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

ASSISTANT REGISTRAR
ITAT, NEW DELHI