IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

R/SPECIAL CIVIL APPLICATION NO. 1125 of 2026

FOR APPROVAL AND SIGNATURE:

HONOURABLE MR. JUSTICE A.S. SUPEHIA Sd/-
and
HONOURABLE MR. JUSTICE PRANAV TRIVEDI Sd/-

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Approved for Reporting	Yes	No
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MUKTABEN JADAVJIBHAI PATEL
Versus
INCOME TAX OFFICE-WARD 5,MEHSANA

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Appearance:
MR DARSHAN B GANDHI(9771) for the Petitioner(s) No. 1
MR JIMI S PATEL(10578) for the Petitioner(s) No. 1
MR AADITYA D BHATT(8580) for the Respondent(s) No. 1

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CORAM:**HONOURABLE MR. JUSTICE A.S. SUPEHIA**
and
HONOURABLE MR. JUSTICE PRANAV TRIVEDI

Date : 30/03/2026

ORAL JUDGMENT

(PER : HONOURABLE MR. JUSTICE A.S. SUPEHIA)

1. ***RULE***. Learned Senior Standing Counsel Mr.Aaditya D. Bhatt, waives service of notice of Rule on behalf of the respondent–Department.

2. Learned Senior Standing Counsel Mr. Bhatt, has tendered a copy of the affidavit-in-reply. The same is ordered to be taken on record.

3. At the outset, learned advocate Mr. Darshan B. Gandhi, appearing for the petitioner has submitted that the issue raised in the present petition is squarely covered by the decision of this Court in the case of Deepak Chinubhai Shah Vs.

Deputy Commissioner of Income Tax, (2026) 183 taxmann.com 90 (Gujarat) (Special Civil Application Nos. 13298 of 2025 and 15390 of 2025, dated 13.01.2026).

4. By way of the present writ petition, the petitioner seeks to challenge the following notice and order:

(i). Impugned Jurisdictional Notice dated 31.03.2025 issued under Section 148 of the Income Tax Act, 1961 (for short, 'the Act') for the Assessment Year 2020–21; and

(ii). Impugned order disposing of the objections raised against the reopening of assessment under Section 147 of the Act, being DIN & Letter No. ITBA/COM/F/17/2025-26/1083268987(1) dated 03.12.2025.

5. The petitioner is an elderly lady and a housewife. She does not have any regular source of income and accordingly, has neither obtained a PAN nor filed any return of income to date.

6. During the Financial Year 2019–20 relevant to Assessment Year 2020–21, on 19.06.2019, the petitioner, along with two other co-owners, namely (i) Shardaben Patel (daughter of the assessee) and (ii) Hashmukhbhai Patel (son of the assessee), sold a property bearing Revenue Survey No. 131 situated at Village Medha, Taluka Kadi, District Mehesana, to one - Mr.Mahendra Chimanbhai Patel for a consideration of Rs. 14,92,800/-. Out of the total sale consideration, an amount of Rs.4,97,600/- was received by the petitioner in her bank account with Bank of India.

7. Thereafter, around the second week of April 2025, a notice dated 31.03.2025 under Section 148 of the Act was received by the petitioner from the respondent Assessing Officer at her residential address.

8. It is the case of the petitioner that the impugned notice was issued without the necessary satisfaction note or seized material from the searched party. Accordingly, vide letter dated 26.06.2025, the petitioner requested the respondent Assessing Officer to supply the same. However, without supplying such documents, the respondent Assessing Officer, vide letters dated 19.08.2025 and 25.09.2025, informed the petitioner that she had failed to comply with the statutory notice by not filing the return of income.

9. Thereafter, vide letter dated 07.11.2025, the respondent - Assessing Officer provided the reasons/satisfaction note for issuance of notice under Section 148 of the Act.

10. Upon receipt of the detailed satisfaction note, the petitioner raised objections to the assumption of jurisdiction and issuance of notice under Section 148 of the Act on 02.12.2025. The petitioner contended that: (i) neither the name of the seller (assessee – Muktaben) nor the name of the buyer (Mr.Mahendrabhai Chimanbhai Patel) was mentioned in the loose document; (ii) the sale deed was executed on 14.06.2019, whereas the loose noting mentions the date 01.08.2020, i.e., almost 1.25 years later; and (iii) the actual transaction pertains to the sale of 2.55 *vigha* of land, whereas the loose document does not mention any such transaction details.

11. Learned advocate Mr. Gandhi, at the outset, submitted that after the sale of the agricultural land vide sale deed dated 15.06.2019, the purchaser - Shri Mahendrabhai C. Patel, converted the said land from agricultural to non-agricultural use. Thereafter, the impugned notice has been issued to the petitioner for reopening of the assessment on an incorrect premise. Hence, it is urged that, since the issue is squarely covered by the decision of this Court in the case of ***Deepak Chinubhai Shah (supra)***, the action of reopening deserves to be quashed and set aside.

12. Learned Senior Standing Counsel Mr. Bhatt, at this stage, has submitted that it is always open for the petitioner to raise all contentions and defend her case during the assessment proceedings before the Assessing Officer. It is submitted that, at this stage, the revenue is only required to examine *prima facie* material and therefore, the present petition ought not to be entertained.

13. From the pleadings and the documentary evidence on record, it emerges that the petitioner had sold the agricultural land vide sale deed dated 15.06.2019. The entire reopening is premised on a loose paper indicating the date 01.08.2020 and referring to Survey No.131 situated at Village - Medha, Taluka – District : Kadi-Mehsana. The Assessing Officer thereafter relied upon a verification in the nature of "*Any ROR*" with respect to the sale deed.

14. However, the fact remains that the petitioner sold the land when it had agricultural status, whereas the subsequent

purchaser, on 05.08.2019, converted the said land from agricultural to non-agricultural use.

15. Thus, the loose paper found during the search proceedings dated 01.08.2020 appears to refer to the non-agricultural rates proposed by the purchaser and does not represent the market value of the agricultural land at the time of the agricultural sale.

16. At this stage, we may refer to the observations of this Court in the case of ***Deepak Chinubhai Shah (supra)*** on an identical issue, wherein in a search conducted against the very same entities, the Court has held as under:

> *"12. The assessment in the case of the petitioner for the year 2021-22 is sought to the be reopened on the basis of the aforementioned information contained in the extract of the inquiry register. It is not in dispute that the petitioner had sold the land vide sale deed dated 07.10.2020, the registration of the same was done in the month of January 2021. It is also noticed from the sale deed that the land in said question of survey number being Block No. 1445 – Old Survey No. 1568 was an agricultural land at the time of sale in the month of October 2020. The information relating to the date in the seized document is 22.04.2021, is after the sale deed dated 07.10.2020, this is the first flaw which is noticed by us. Secondly, with regard to the status of the land mentioned in the seized document. The status of the land in question refers to "NA" i.e. a non-agricultural land and unquestionably the land which was sold by the petitioner vide sale deed dated 07.10.2020 is an agricultural land. The name of the seller appears to be Sanjay Thakkar. Thus, there are three components which do not reconcile with the petitioner (i) the date mentioned as 22.04.2021, (ii) the status of the land being shown as "NA" i.e. non-agricultural and (iii) the name of the seller – Sanjay Thakkar.*
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> *13. The questions and answers forming part of the statements recorded under the provisions of 131 of the IT Act, in the case of one Shri Nagjibhai Bhavadiya, the searched person, does*

not in any manner mention the name of the petitioners. Thus, we do not find any direct or indirect link with the seized document and the same does not even remotely connect the rate mentioned of the concerned question of land with the petitioner. Thus, the revenue has attempted to reopen the assessment year 2021-22 only on the basis of some vague information allegedly connected from the seized document and the same does not in any manner relates to the present petitioner. Thus, the invocation of the proceedings under Section 148 of the IT Act, itself is ill conceived and unsustainable in light of the information contained in the seized document.

FINAL ORDER

14. Hence, we are of the opinion that the assessment has been reopened on the basis of conjunctures and surmises, the same action is required to be quashed and set aside. Accordingly, the captioned writ petitions stand allowed. The impugned Notices dated 31.03.2025 issued under Section 148 of the IT Act are hereby quashed and set aside. No order as to costs. Rule is made absolute."

17. On an identical issue this Court has quashed and set aside reopening of assessment on identical facts and similarly worded loose papers, pointing out the status of the land as 'NA", whereas the petitioner(s) have sold agricultural lands. The price assumed by the revenue alleging escapement of income, can be said to be only on hypothesis, and hence, the present writ petition succeeds. The impugned notice(s) is / are hereby quashed and set aside.

Sd/-
(A. S. SUPEHIA, J)

Sd/-
(PRANAV TRIVEDI,J)

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