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**CWP-23962-2021 (O&M)**

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IN THE HIGH COURT OF PUNJAB AND HARYANA  
AT CHANDIGARH

**Sr. No.287-23**

**CWP-23962-2021 (O&M)**  
**Date of decision: 20.04.2026**

Shyam Gupta

....Petitioner

Versus

Union of India and another

....Respondents

**CORAM: HON'BLE MR. JUSTICE DEEPAK SIBAL  
HON'BLE MS. JUSTICE LAPITA BANERJI**

Present: Mr. Sandeep Goyal, Senior Advocate with  
Mr. Rishab Singla, Advocate  
for the petitioner.

Mr. Varun Issar, Sr. Standing Counsel with  
Ms. Pridhi Sandhu, Sr. Standing Counsel  
for the respondents.

\* \* \*

**DEEPAK SIBAL, J. (Oral)**

1. The instant petition is directed against the notice dated 29.03.2021, pertaining to the assessment year 2017-18, issued to the petitioner under Section 148 of the Income Tax Act, 1961 (for short – '*the Act*') on the ground that the said notice was not preceded by the procedure prescribed under Section 148 A of the Act, which provision was introduced through the Finance Act, 2021.

2. Learned counsel for the parties have been heard.

3. In this case the impugned notice, issued under Section 148 of the Act, is dated 29.03.2021 and as per record of the Income Tax Department which was produced before us, such notice was dispatched to the petitioner

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prior to 01.04.2021.

4. Notices under Section 148 of the Act, issued and dispatched prior to 01.04.2021, were not required to be preceded by any notice under Section 148A of the Act because Section 148A was prospectively introduced through the Finance Act, 2021 and was to come into effect on or after 01.04.2021. Therefore, such notices would continue to be governed by the unamended provisions. In this regard following observations by the Supreme Court in **Union of India and ors. vs. Ashish Agarwal, (2023) 1 SCC 617**, can be usefully referred to:-

*“22. Thus, the new provisions substituted by the Finance Act, 2021 being remedial and benevolent in nature and substituted with a specific aim and object to protect the rights and interest of the assessee as well as and the same being in public interest, the respective High Courts have rightly held that the benefit of new provisions shall be made available even in respect of the proceedings relating to past assessment years, provided Section 148 notice has been issued on or after 1st April, 2021. We are in complete agreement with the view taken by the various High Courts in holding so.*

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*28. In view of the above and for the reasons stated above, the present appeals are allowed in part. The impugned common judgments and orders passed by the High Court of Judicature at Allahabad in WT No. 524/2021 and other allied tax appeals/petitions, is/are hereby modified and substituted as under:-*

*28.1 The impugned Section 148 notices issued to the respective assesseees which were issued under unamended Section 148 of the IT Act, which were the subject-matter of writ*



*petitions before the various respective High Courts shall be deemed to have been issued under Section 148A of the IT Act as substituted by the Finance Act, 2021 and construed or treated to be show-cause notices in terms of Section 148A(b). The assessing officer shall, within thirty days from today provide to the respective assessee information and material relied upon by the Revenue, so that the assessee can reply to the show-cause notices within two weeks thereafter;*

*28.2 The requirement of conducting any enquiry, if required, with the prior approval of specified authority under Section 148A(a) is hereby dispensed with as a one-time measure vis-a-vis those notices which have been issued under Section 148 of the unamended Act from 01.04.2021 till date, including those which have been quashed by the High Courts.*

*28.3 Even otherwise as observed hereinabove holding any enquiry with the prior approval of specified authority is not mandatory but it is for the Assessing Officers concerned to hold any enquiry, if required;*

*28.4 The assessing officers shall thereafter pass orders in terms of Section 148-A(d) in respect of each of the assessee concerned; Thereafter after following the procedure as required under Section 148-A may issue notice under Section 148 (as substituted);*

*28.5 All defences which may be available to the assessee including those available under Section 149 of the IT Act and all rights and contentions which may be available to the assessee concerned and Revenue under the Finance Act, 2021 and in law shall continue to be available.*

*29. The present order shall be applicable PAN INDIA and all judgments and orders passed by different High Courts on the issue and under which similar notices which were issued after 01.04.2021 issued under Section 148 of the Act are set aside and shall be governed by the present order and shall stand modified to the aforesaid extent. The present*



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*order is passed in exercise of powers under Article 142 of the Constitution of India so as to avoid any further appeals by the Revenue on the very issue by challenging similar judgments and orders, with a view not to burden this Court with approximately 9000 appeals. We also observe that present order shall also govern the pending writ petitions, pending before various High Courts in which similar notices under Section 148 of the Act issued after 01.04.2021 are under challenge.”*  
(emphasis supplied)

5. In the light of the above, we find no justifiable reason to interfere with the impugned notice. However, in response to the impugned notice, the petitioner shall be at liberty to file its written response after which the competent Assessing Officer shall proceed to assess the petitioner, in accordance with law.

**(DEEPAK SIBAL)**  
**JUDGE**

**(LAPITA BANERJI)**  
**JUDGE**

**April 20, 2026**  
*Jyoti I*

*Whether speaking/reasoned*  
*Whether reportable*

*Yes/No*  
*Yes/No*