IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

R/SPECIAL CIVIL APPLICATION NO. 11680 of 2026

FOR APPROVAL AND SIGNATURE:
HONOURABLE MR. JUSTICE A.S. SUPEHIA Sd/-
and
HONOURABLE MS. JUSTICE VAIBHAVI D. NANAVATI Sd/-

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Approved for Reporting	Yes	No
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RAIVAT KALPESHBHAI SHAH
Versus
INCOME TAX OFFICER, WARD 3(3)(2), AHMEDABAD

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Appearance:
MR. HARDIK V VORA(7123) 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 MS. JUSTICE VAIBHAVI D. NANAVATI

Date : 20/08/2026
ORAL JUDGMENT
(PER : HONOURABLE MR. JUSTICE A.S. SUPEHIA)

1. ***RULE.*** Learned Senior Standing Counsel waive service of notice of rule for and on behalf of the respondent.

2. The short issue is involved in the present writ petition hence, the same is taken up for final hearing with consent of the learned advocates appearing for the respective parties.

3. The petitioner has challenged the impugned notice dated 16.03.2026 issued under section 148 of the Income Tax Act, 1961 (for short "the Act") for the Assessment Year (AY) 2022-23.

4. Learned advocate Mr.Vora appearing for the petitioner has submitted that the loose paper, upon which reliance is placed, is neither authored nor signed by the petitioner or any of the co-owners of the land and it does not mention the name of the petitioner or purchaser. He has submitted that the only name appearing on the page is Bro.Manish Bopal, who is neither the purchaser nor has any connection with petitioner and in fact, the petitioner has no knowledge of the origin or contents of the said document. It is submitted that mere reference to the land survey number, without any corroborative evidence, is insufficient to establish any nexus with the petitioner.

5. Learned advocate Mr.Vora has further submitted that land bearing Survey No.575, Godhavi was purchased by the petitioner from Shri Ghelubhai Udesang Vaghela and Shri Jayendrasinh Ghelubhai Vaghela vide a registered sale deed dated 10.03.2021 and was subsequently sold to Shri Shekharbhai Govindbhai Patel vide a registered sale deed dated 21.10.2021. The date mentioned on the impugned loose paper is 18.03.2019, on which date the petitioner was neither the owner nor in possession or control of the said land. It is further submitted that re-assessment proceedings were initiated in the case

of petitioner for AY 2021-22 on the basis of very same impugned loose paper and the notice under section 148 of the Act was quashed by this Court vide order dated 08.04.2026 in Special Civil Application No.3809 of 2026. It is also submitted that the issue is squarely covered by the decision of this Court in the case of *Deepak Chinubhai Shah vs. Deputy Commissioner of Income Tax, Circle 2(1)(1), Ahmedabad*, [2026] 183 taxmann.com 90(Gujarat)(Special Civil Application No.13298 of 2025 and allied matter decided on 13.01.2026). Thus, it is urged that the present petition may be allowed.

6. *Per contra*, learned Senior Standing Counsel has vehemently opposed the present writ petition and has submitted that at this stage, the impugned action of the respondent of reopening of assessment and passing of order under section 147 read with section 143(3) of the Act may not be interfered since the petitioner had ample opportunities to defend reopening of assessment in the regular assessment proceedings. It was further submitted that as per the provision of section 148 of the Act, more particularly clause 4 below Explanation 2, it cannot be said that the information, which is unearthed during the search proceedings from the concerned broker, does not pertain or pertains to any information contained therein relates to the assessee. It is submitted

that the legislature has deliberately used the expansive phrases "pertains to" and "relate to" unlike the stringent requirement of "belongs to" under the erstwhile section 153C of the Act and hence, as per the decision of the Apex Court in the case of *Raymond Woollen Mills Limited vs. Income-tax Officer*, (1999) 236 ITR 34 (SC), the Revenue has only to see whether there was a *prima facie* some material on the basis of which the Department could reopen the case and sufficiency or correctness of the material is not a thing to be considered at this stage of issuance of notice.

7. Further, reliance is also placed by the learned Senior Standing Counsel on the decision of the Apex Court in the case of *Assistant Commissioner of Income-tax vs. Rajesh Jhaveri Stock Brokers (P.) Private Ltd.*, (2007) 291 ITR 500 (SC) and it is submitted that the only question which is required to be examined at the stage of issuance of notice is whether there was relevant material on which a reasonable person could have formed a requisite belief.

8. We have heard the learned advocates appearing for the respective parties at length.

9. The facts, which are established from the documents on record, are that reopening of assessment is premised on the loose paper, which refers to the land being Revenue Survey No.566/1+2 and 575 having prescribed rate of Rs.8,500/- per square yard. The data mentioned in the said paper is illegible and only name appearing in the paper is of some Bro.Manish Bopal, who is not the purchaser, and with whom the petitioner has no connection. The Satisfaction Note also does not refer that the petitioner has any connection with B Safal Group, City Estate Group, City Estate Management India and City Procon Realtors Private Limited. The information on the loose paper is premised on non-related third party.

10. This Court, in the case of the very petitioner for AY 2021-22 being Special Civil Application No.3809 of 2026 *(supra)*, has held thus:

> *"28. A bare perusal of the chit reveals that it does not contain any names or identifiable figures, and the same is dated 18.03.2019. After a gap of almost two years, the petitioner bought the land vide sale deed dated 10.03.2021. We fail to understand how the Assessing Officer has alleged payment of "on-money" by the petitioner after two years, by arriving at a rate of Rs.8,500/- per square yard. The entire calculation appears to have been made on the basis of data collected from "Any RoR", a Government website*

reflecting details of sale deeds. The survey number mentioned in the loose paper is linked with the petitioner by the revenue by gathering information from the government Website "Any RoR", which records the details of the sale deeds. It is true that the cash transactions are done in a clandestine manner using coded script, however, the revenue, before re-opening the assessment has to establish a live link of the assessee on the basis of seized material only. The expression " relates to" and "pertains to" used in Clause(iv) to Explanation 2 to Section 148 of the Act cannot be used in vacuum. The revenue after the seizure of incriminating material is under an obligation to analyze such material, in light of attendant circumstances and record relevancy and a prima facie opinion linking such material establishing escapement of income at the hands of the assessee. The information which is derived from the incriminating material in the instant case, does not establish live-link. The information is absolutely vague and unspecific and the rate mentioned in the loose-paper is attempted to be imposed upon the petitioner after a period of two years from the date recorded in the chit on the basis of sale deed registered on 10.03.2021. The statement of Shri Bavadiya does not mention the name of the petitioner. Even prima facie link of the petitioner with broker 'Manish' whose name appears in the loose paper is not found. There is no link, even remotely, found with Bsafal Group or City Estate Management India or City Procon Realtors Private Limited. All these aspects are very relevant, and were required to be examined before roping the petitioners in re-assessment. Thus, in our considered opinion, the provision of Section 148 of the Act is not attracted, hence the action of the respondents in re-opening of the assessment requires to be quashed."

11. Thus, this Court, in an identical issue, has quashed and set aside reopening of assessment on identical facts and similarly worded loose papers. The price assumed by the revenue alleging escapement of income, can be said to be only on

hypothesis, and hence, the present writ petition succeed. The impugned notice is hereby quashed and set aside.

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

Sd/-
(VAIBHAVI D. NANAVATI,J)

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