

# Search Assessments u/s 153A and Section 153C etc

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# HIGHLIGHTS

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- *Overview of newly inserted sections*
- *Sections covered:*
  - a) *Section 153A, Section 153B, Section 153C*
  - b) *Section 132*
  - c) *Section 271(1)(c)*
- *Relevant judicial pronouncements*
- *Related Issues*
- *Tips*

# OVERVIEW

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Block assessment scheme abolished by The Finance Act, 2003 by insertion of new section 158BI, providing that the provisions of Chapter XIV B do not apply to a case of search u/s 132 or requisition u/s 132A. Further, section 153A, 153B and 153C are newly inserted providing the procedure for completion of search assessment.

# CIRCULAR NO. 7/2003 DATED 5.09.2003

## Following issues are clarified:

- a) appeal, revision or rectification pending on the date of initiation of search u/s 132 or requisition shall not abate.
- b) Appeal against the order of assessment or re-assessment u/s 153A shall lie with CIT(A)
- c) Assessment or reassessment u/s 153A shall be subject to interest, penalty and prosecution, if applicable. `

# SECTION 153A- ASSESSMENT IN CASE OF SEARCH OR REQUISITION

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- (1) **Notwithstanding** anything contained in **section 139, section 147, section 148, section 149, section 151 and section 153,** in the case of a person where a **search is initiated** under **section 132** or books of account, other documents or any assets are requisitioned under **section 132A** after the 31st day of May, 2003, the Assessing Officer shall—
  - (a) **issue notice** to such person requiring him to furnish within such period, as may be specified in the notice, the return of income in respect of each assessment year falling within six assessment years referred to in clause (b), in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed and the provisions of this Act shall, so far as may be, apply accordingly **as if such return were a return required to be furnished under section 139;**

(b) assess or reassess the total income of six **assessment years** immediately preceding the assessment year relevant to the previous year in which such search is conducted or requisition is made .

**Note: Sec. 153A contemplates issue of notice for 6 years preceding the search but not for the year of search or requisition and thus no return is required to be filed for the year of search u/s 153A. Only regular return u/s139 is to be filed.**

# PROVISO TO S.S(1) TO SEC. 153A

## Proviso 1.

That the Assessing Officer shall assess or reassess the total income in respect of each assessment year falling within such six assessment years:

## Proviso 2.

That assessment or reassessment, if any, relating to any assessment year falling within the period of six assessment years referred to in this sub-section pending on the date of initiation of the search u/s 132 or making of requisition u/s 132A, as the case may be, **shall abate.**

### Note:

as per the 2<sup>nd</sup> proviso, only the assessment/ reassessment pending on that date shall abate and as such the appeal or revision or rectification if pending on the date of initiation of search shall not abate.



# ISSUE

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- Whether pre-conditions of sec. 153A/132 are to be complied mandatorily?

Held in

Jindal Stainless Ltd. v ACIT , ITA Nos. 3480 & 3481 (Del) 2006-122 TTJ 902

The prerequisite condition for application of section 153A is that assessment under this section can be made against a person in case of whom a search is initiated under section 132; **non-fulfillment of conditions laid down in sections 153A is a jurisdictional defect which cannot be cured.**

**CONTD...**

**Rajat Tradecom India Pvt. Ltd. v. DCIT, 120ITD 301 Appeal No. IT (SS) A No: 182 & 183/Ind./2007 -Indore ITAT** -Before invoking the provision of section 153A it would be necessary to comply with the provisions contained under section 132(1); the mere issue of warrant of authorization without there being search of the premises mentioned in the warrant of authorization would be meaningless and would not serve the purpose of section 132. therefore, actual search shall have to be carried out necessarily before proceeding under section 153A

**Similar decision held in:**

[2010] 5 taxmann.com 59 (Ahd. - ITAT) ITA No. 2878 to 2880/Ahd/2007  
Dr. Manshukh Kanjibhai Shah vs. ACIT,  
J.M.Trading [2008] 20 SOT 489, DHC in S.K.Katyal 308 ITR 168

# ISSUE

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- Whether proceedings may be continued without giving notice u/s 153A.

***Held that:***

continuation of assessment proceeding after initiation of search without giving any notice under section 153A and passing impugned final order of assessment was held to be illegal, arbitrary and wholly without jurisdiction

[2007] 162 TAXMAN 429 (JHAR.) Abhay Kumar Shroff v.CIT

# ISSUE

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222 CTR 581 (P&H), Pawan Kumar Garg vs, CCIT held that:

Where assessee had given a reply to notice under section 153A and no final order had been passed, writ petition challenging such notice had to be dismissed as premature

## S.S (2) TO SEC. 153A

(2) If any proceeding initiated or any order of assessment or reassessment made under sub-section (1) has been annulled in appeal or any other legal proceeding, then, notwithstanding anything contained in sub-section (1) or section 153, the **assessment or reassessment relating to any assessment year which has abated under the second proviso to sub-section (1), shall stand revived w.e.f the date of receipt of the order of such annulment by the Commissioner:**

*Provided that such revival shall cease to have effect, if such order of annulment is set aside.]*

# EXPLANATION TO SEC. 153A

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Explanation.—For the removal of doubts, it is hereby declared that,—

(i) save as otherwise provided in **this section, sec. 153B and sec. 153C**, all other provisions of this Act shall apply to the assessment made under this section;

(ii) in an assessment or reassessment made in respect of an assessment year under this section, the tax shall be chargeable at the rate or rates as applicable to **such assessment year**.

# ISSUE

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- Applicability of provisions of sec. 143?

ACIT v. M/s G.M Infrastructure ITA.No.133/Ind/2008 ITAT Indore:

Provisions of sec. 143(2) have to be applied in its fullest scope i.r.o assessment or reassessment made u/s 153A.

CIT vs. Pawan Gupta & Ors.[2009] 223 CTR 487(Del)

*It is mandatory u/s 153A/153C to issue and Serve notice u/s 143(2) after return u/s 153A is Filed and for non service of same, assessment u/s 153A can be annulled*

# ISSUE

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- **Whether the search material be considered in piecemeal** The position of law as regards block assessments has been that the assessment under section 158BC should be made after considering all the materials and that there cannot be a pick and choose method in framing the assessment. The position was found to be the same in respect of an assessment in pursuance of search under section 153A of the Act. Where it was found that the Assessing Officer acted on an agreement for sale ignoring the fact that there were further materials found during the same search, the Assessing Officer was not justified in relying upon one document ignoring the others equally relevant as decided in *Asst. CIT v. Hotel Harbour View [2010] 2 ITR (Trib) 178 (Cochin).*



**CONTD....**

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[2010] 127ITD 264 (Ind-ITAT)DCIT v.Sushil Kumar Jain-Whether, condition of time-limit for service of notice under section 143(2) shall also apply to assessment/ reassessment proceedings contemplated under section 153A and it would start from end of month in which return is filed in response to notice issued under section 153A/142(1) and, in case, no such notice has been issued, then, it shall be construed from end of month in which return was filed - Held, yes

# SEC. 148 VIS A VIS SEC. 153A

Ramballabh Gupta v. Asst. CIT & Ors. [2005] 199 CTR  
649(MP):

Notice u/s 148 in relation to an assessment year other than six asstt. Years falling within the jurisdiction of s. 153A is valid, submission that in cases of search, s. 148 has no application and no order fo reassessment can be passed beyond six years provided in s. 153Ais not correct.

# ANAMOLIES IN SECTION

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- No time limit prescribed for issue of notice u/s 153A.
- Sec. mention about **issue** not **service** of notice.
- Sec. 153A speaks of the **prescribed time and prescribed particulars**, the rules & forms are yet to be prescribed.

# MEANING OF PENDING U/S 153A

An assessment can be said to be “pending” only if the AO is statutorily required to do something further. If a s.143(2) notice has been issued, the assessment is pending. However, the assessment in respect of a return processed u/s 143(1) is not “pending” because the AO is not required to do anything further about such a return.

Anil P. Khimani v. DCIT [2010] 7 ITATINDIA 758(Mum. ITAT) ,ITA No.2855/Mum/2008

**CONTD...**

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***Further held in same case:***

The power given by the Proviso to “assess” income for six assessment years has to be confined to the undisclosed income unearthed during search and cannot include items which are disclosed in the original assessment proceedings.

*ASSESSMENT IN CASE OF PERSON OTHER  
THAN THOSE REFERRED IN SECTION 153A.*

# SECTION 153C

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Notwithstanding anything contained in *section 139, section 147, section 148, section 149, section 151 and section 153*, where the Assessing Officer is satisfied that any money, bullion, jewellery or other valuable article or thing or books of account or documents seized or requisitioned belongs or belong to a person *other than the person referred to in section 153A*, then the books of account or documents or assets seized or requisitioned shall be handed over to the Assessing Officer having jurisdiction over such other person and that Assessing Officer shall proceed against each such other person and issue such other person notice and assess or reassess income of such other person in accordance with the provisions of *section 153A* :]

# ANALYSIS OF SECTION

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- Satisfaction of AO
- Belongingness of material to such other person.

*There should be prima facie material giving scope of inference of undisclosed income in such B/O/A or assets seized/ requisitioned.*

**[2008] 306ITR(AT)411 P.Srinivas Naik v. CIT**



# CONSTITUTIONAL VALIDITY OF SECTIONS 153A & 153C

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*Whether there is additional requirement for issuance of notice u/s 153C before proceeding u/s 153A?*

## Saraya Industries Ltd Vs UOI(2008) 306 ITR 189 (Delhi)

- The constitutional validity of sections 153A & 153C upheld
- Observed that more over the search or requisition **must be of such a character as to persuade the Assessing Officer to even reopen closed assessments.** In other words there should be material on search or requisition for issue of notice under section 153A/153C.
- Both the assesses (i.e. u/s 153A & 153C ) are treated equal.
- Principle of natural justice is inbuilt in sec. 153C.

# ISSUE

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- Whether Assessing Officer must record his satisfaction about existence of undisclosed income before proceeding against a person other than one searched

*Held yes:*

*Manish Maheshwari v. Asstt. CIT [2007] 289 ITR 341/159  
Taxman 258 [SC]*

- Whether the said ruling (in context of 158BD) is applicable to 153C
  - *[2008] 170 TAXMAN 276 (DELHI) New Delhi Auto Finance (P.) Ltd. v. JCIT, Special Range-15*
  - *Delhi ITAT in NITS Softtech 8 DTR 269, [2008] 31 ITATINDIA 51*

[2010] 005 ITR (Trib) 0261- Asst. CIT v. M. N. Rajaraman Section 158BD/153C authorises notice to a third party to a search, if documents or assets relating to such third party had been the subject matter of seizure during search and there was **satisfaction of the Assessing Officer having jurisdiction over the searched person as to the ownership of such seized records or assets and prima facie satisfaction of concealment, communicated to the Assessing Officer having jurisdiction over such third party.**

# ISSUE

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- *Reasons to be recorded to reach at the satisfaction*  
*Supreme Court in Amity Hotels (P) Ltd. 272 ITR 75,* held that :  
*the reasons must be recorded by the Assessing Officer having jurisdiction over the assessee who had been searched* before issuing the notice u/s 158 BD of the Act. The aforesaid view has been reiterated by this Court in the case of *CIT Vs. Karan Engg. P. Ltd. and Janki Exports International Vs. UOI, 193 CTR 730.*

# ISSUE

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- Where no material seized other than statement recorded- whether 153C/158BD can be invoked?

*Held no*

**CIT VS. Late Sh. Raj Pal Bhatia, ITA 276 OF 2009, DATE OF DECISION: 29.11.2010, HIGH COURT OF DELHI :**

- no Assessment u/s 158BD can be invoked merely on the basis of Statement of a person in whose premises search was conducted as the statement is not in the nature of document which was found during search.
- Therefore, it cannot be said that the statement was „seized“ during the search and thus, would not qualify the expression “document” having been seized during the search. In such a scenario, proper course of action was reassessment u/s 147 read with section 148 of the Act.

**CONTD...**

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In the case of *Smt. Chitra Devi Vs. CIT 77 TTJ 430* decided by *Jodhpur Bench of ITAT*, reported in, it is held that statement recorded under Section 132 (4) of the Act during the search is no evidence as contemplated under section 158BD of the Act and on that basis no valid proceedings in Chapter XIV-B of the Act could be initiated.

# ISSUE

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➤ Belongs to assessee?

Meghmani Organics Ltd. vs DCIT 129 TTJ 255

- *The prerequisite for initiating proceedings under s. 153C of the Act is that any money, bullion, jewellery or other valuable articles or things or documents seized or requisitioned belong to a person other than person in whose case warrant of authorisation is issued under s. 132(1) of the Act. Since none of the documents belongs to the assessee, though they may be referable to the work of the assessee the same cannot be considered as "belonging to the assessee*
- ✘ *Similar decisions in: LMJ International Ltd. vs DCIT 119 TTJ 214*

# CASE LAW

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## [2010] 231 CTR 474(GUJ.) Vijaybhai N. Chandrani v. ACIT

Condition precedent for issuing notice under section 153C and assessing or reassessing income of 'such other person' is that money, bullion, jewellery or other valuable article or thing or books of account or documents seized or requisitioned should belong to such person; *where admittedly documents in question, namely, three loose papers recovered during search proceedings did not belong to petitioner, though there was a reference to petitioner therein, issue of notice to petitioner under section 153C was not valid*



# ISSUE

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- Whether provisions of section 127(2) have to be resorted to while making assessment u/s 153C?
- Whether, in such cases, an opportunity of being heard has to be afforded to assessee before passing an order for transfer of records under section 127

Held yes

[1998] 98 TAXMAN 193 (AP) Mrs. Mukta Lalita v. CIT

Affirmed in: [2008] 169 TAXMAN 465 (SC) K.P. Mohammed Salim v. CIT, Cochin

# ISSUE

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- Whether the Income Tax Department can inspect the data contained in files/folders in the laptops of the auditors, where that data is relating to clients **for proper assessment?**

**Held Yes**

**DIT(Inv.) vs. S R Batliboi & Co [2010] 186 Taxman 350( SC)**

# SECTION 153B

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## Time limit for completion of asstt. u/s 153A/153C:

In case of person searched:

- (a) 21 months from the end of the financial year in which last of the authorisation for search u/s 132 or requisition u/s 132A was executed.
- *Similar time limit shall apply in respect of the year of search also.*

In case of any other person:

As provided in (a) supra or 9 months from the end of the f.y in which B/O/A or documents or assets seized/requisitioned are handed over to the AO having jurisdiction over such person;  
**whichever is later.**

# S.S(2)

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## Authorisation shall be deemed to be executed :

- In case of search, on conclusion of search as recorded in **last Panchnama [2010] 187 TAXMAN 260 (DELHI)CITv. Rajhans Aromatics**

### **[2009] 177 TAXMAN 380 (DELHI) CIT v. S.K. Katyal**

if a panchnama does not, from facts recorded therein, reveal that a search was at all carried out on day to which it relates, then it would not be a panchnama relating to search and, consequently, it would not be a panchnama of type which finds mention in Explanation 2(a) to section 158BE

- In case of requisition, on **actual receipt** of B/O/A or documents or assets by the AO

# ISSUE

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## ➤ Last authorisation or last panchnama?

CIT Vs Sh. Anil Minda ITA No.582, 527,593,605,618,772 of 2009 authorization referred to in sub Section (1) would be that authorization which is executed on the conclusion of search as recorded in the last panchnama. Therefore, by this deeming provision, even an authorization which may not be otherwise the last authorization would become last authorization, if that is executed and if the panchnama in respect thereto is drawn last. Therefore, the purport of this explanation is to count the period of limitation of two years from the date when the last panchnama was drawn in respect of any warrant of authorisation, if there were more than one warrants of authorization.

# ISSUE

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- [2009] 308 ITR 116(Del) CIT vs. Deepak Aggarwal
  - last panchnama to be taken into consideration for the purpose of reckoning the limitation period.
  - revocation order for the purpose of continuing the search did not amount to execution of a search when no asset is seized under that order and there is only revocation of the prohibitory order passed earlier.

*However, a search under section 132 should be continuous and if it is discontinued and, thereafter resumed then there must be a valid explanation for gap so as to exclude that period for the purpose of sec. 153B. [2007]294ITR444 (Del) CIT vs. Sarb Consulate Marine Products (P.) Ltd.*

# EXCLUSION FROM THE PERIOD OF LIMITATION

- Period of stay
- Period covered between the issue of direction u/s 142(2A) & the day furnishing the audit report
- Time in giving an opportunity of being heard u.s 129
- Period between the date of application u.s 245C & date on which order u.s 245D(1) is recd. by the CIT

## CONTD...

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- Period between making the application u.s 245Q to AAR & the date of receipt of order of rejection of appl./ receipt of pronouncement of the AAR by the CIT u/s 245R
- Period commencing from the date of annulment of proceeding or order under s.s(2) of sec. 153A till the date of receipt of the order setting aside the order of such annulment, by the Commissioner. **[Finance Act, 2008 w.r.e.f 1-6-2003]**

**Note: time limit of sec. 153B shall be extended by the period covered under exclusion.**



# SEC. 153B- CASE LAW

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- Whether assessment order not only to be passed but also to be served within the limits prescribed u/s 153B.

*Held yes*

[2009] 126 TTJ 135 (JODH.) Shanti Lal Godawat v.  
Asst. CIT

# SECTION 153D

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- No order of asstt./reassessment shall be passed by an AO below the rank of Joint Commissioner in respect of each asstt. Year except with the prior approval of the Joint Commissioner.

# CASE LAW

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## CIT vs S.M. Aggarwal 293 ITR 43 [2007]

During the search under s.132 of the Income Tax Act 1961 certain documents indicating advancement of loan of Rs.22.50 lakhs and receipt of interest of Rs.3.55 lakhs were found. The assessee explained that these belonged to her married daughter 'SG'. 'SG' denied to have any such transactions. The assessee was not granted an opportunity to cross examine SG. In absence of such an opportunity the statement of 'SG' was not an admissible evidence. No amount as 'undisclosed income' on basis of those documents could be assessed in his hands.

# ISSUE

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Validity of proceedings on the basis of a joint warrant

[2010] 186 Taxman 88(All.) CIT (Central) vs. Smt. Vandana Verma

Assessment proceedings initiated on the basis of joint Panchnama are null and void ab initio.

*the warrant of authorization must be issued individually by the Director/Commissioner at the time of issuing the same. If the same is not issued individually, then assessment cannot be made in an individual capacity as done by the Assessing Officer in the instant case. The warrant was issued jointly, as stated hereinabove, so the assessment will have to be made collectively in the name of both the persons in the status of AOP/BOI.”*

# ISSUE

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- Whether proceedings u/s 153A/153C can be initiated on the basis of the statement of a third party?

HELD NO

[2009] 183 TAXMAN 172 (DELHI) CIT v. Concorde Capital Management Co. Ltd. held that

*“the ITAT have arrived at the conclusion that the revenue had taken into consideration a statement made by a third party independent of the search and since nothing was discovered in the course of the search, the action was contrary to law.”*

CIT v. Balaji Wire (P.) Ltd. [2008] 304 ITR 393 (Delhi) where the Bench observed that the search had been conducted on 11/12-9-2001 but the revenue had sought to proceed against the assessee on the strength of a statement made by a third party on 25-9-2001 and 14-12-2001. As it was manifestly not any part of the sequence of the search, the said statement was held not to be of any consequence.

Other references: [2000] 112 TAXMAN 69 (COCH.) (MAG.) K.T. HAMZA HAJI v. ACIT

# ISSUE

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Addition on the basis of statements never confronted to assessee:

[2010] 3 ITR(TRIB.) 166(CHENNAI) Susee Auto Plaza (P.) Ltd.vs.Addl. CIT

*Where, admittedly, no incriminating evidence was either found or seized, which could be said to be directly related to assessee-company, but whatever evidence was found was related to group companies, simply on basis of analogy that assessee must be collecting amount from customers like group concerns, addition could not be made to assessee's income.*

Any addition which was based on statements which were never confronted to the assessee could not be sustained in the eyes of the law.

**CONTD...**

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[2008] 25 SOT 387 (KOL.) Nirmal Fashions (P.) Ltd. v.

DCIT

- Whether presumption under section 292C is a rebuttable presumption and all facts are to be considered before drawing an inference of undisclosed income on basis of documents, etc., found in possession or control of any person in course of search under section 132 -Held, **yes**
- Whether since papers/documents seized on search were found to be untenable and contrary to other evidence on record, impugned additions made on basis of said papers were not justified - **Held, yes**



# ISSUE

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Whether if any documents found though pertaining to the assessee, if not belonging to such assessee, the action under s. 153C r/w s. 153A cannot be invoked?

Held No

# REFERENCES

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- Meghmani Organics Ltd. vs DCIT 129 TTJ 255
- P. Srinivas Naik v.ACIT[2009]117 ITD 201 (Bang.)
- Sh. Anil Kumar Bhatia vs. ACIT [2010]ITR (Trib.) 484 (Del),  
further relied upon in Anil P. Khimani v. DCIT [2010] 7  
ITATINDIA 758(Mum. ITAT) ,ITA No.2855/Mum/2008
- [2010] 186 TAXMAN 137 (ALL.) CITv.R.M.L. Mehrotra.

# ISSUE

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- Validity of assessment proceedings where search is based on invalid warrant?

**320 ITR 461(Guj) 2010- Suvidha Association v. Additional Director of Income-tax (Investigation)**

Warrant of authorisation for search under name of assessee-corporation and its president—No information in possession of officer issuing warrant—Proceedings invalid—Block assessment cannot be continued—Transfer order not operative

**CIT Karnal vs. Rakesh Kumar, Mukesh Kumar [2009] 178 Taxman 224 (Punj. & Har)/ [2009] 313 ITR 305(P & H)**

Any Search warrant issued under section 132 in name of a dead person is invalid and void ab initio and no valid assessment can be made on strength of such an invalid search warrant.

# PENALTY U/S 271(1)(C)

## [2009] 223 CTR 128(CAL.)CIT v.Suresh Chand Bansal

*Where assessee had offered additional income following search and such income had been accepted in entirety without any attempt to obtain explanation of assessee, penalty under section 271(1)(c) was not leviable on assessee.*

In Dilip N. Shroff vs. JCIT [2007] 291ITR 519(SC) penalty proceedings are not to be initiated only to harass assessee; approach of Assessing Officer while initiating penalty proceedings must be fair and objective

Distinguished in [2008]219CTR617(SC) UOI v. Dharmendra Textile Processors

**CONTD...**

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Addl. CIT v. Premchand Garg[2009] 123TTJ 433(Del)(TM) mere omission of surrendered income from return of an item of receipt does neither amount to concealment nor furnishing of inaccurate particulars of income, **unless and until there is some evidence to show or some circumstances are found** from which it can be gathered that omission was attributable to an intention or a desire on part of assessee to hide or conceal income so as to avoid imposition of tax thereon

Contention followed in[2008]219 CTR617(SC) UOI v. Dharmendra Textile Processors not relied stating that the decision would not mean that Explanation I to sec. 271(1)(c) is given a complete go-by, so as to be not applicable.

# SOME PRACTICAL ISSUES

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- Whether AO can ask regular information like details of purchase/sale, copies of bills of expenses even in case asstt.u/s 143(3) is complete?
- Whether AO can re examine issues accepted by CIT/ITAT?
- Whether AO should enquire only information relevant to seized documents?
- Whether regular asstt. u/s 143(3) can continue after search u/s 132?

# REMEDIES AGAINST ASSESSMENT

- Appeal to CIT(A) u/s 246A
- Revision/ Rectification
- Reassessment u/s 147
- Application of settlement before the Settlement Commission

# ISSUE

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- Whether issue decided with the Settlement Commission can be considered by AO in pursuance of s. 153A?

*Held No-* once the order was passed by the Settlement Commission u.s 245D(4), the order of the Settlement Commission was conclusive as to the matters stated therein as provided u.s245-I and the matters covered by the order of the Settlement Commission could not be reopened in any proceeding under the Act or under any law for the time being in force.

- Whether, on facts, Settlement Commission could have empowered income-tax authorities to frame another assessment order, while settling undisclosed income of assessee for period covered by its order, in respect of investment in bonds, etc. –
- Held, no

[Smt. Neeru Agarwal v.UOI \[2010\] 231 CTR 153\(AII\)](#)



# ISSUE

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- Whether where income of assessee was subject-matter of settlement before Settlement Commission, Assessing Officer could proceed for assessment of same income for same years in pursuance of notice under section 158BC/BD –

**Held, no**

[\[2000\] 108 TAXMAN 127 \(CAL.\)Parag Nivesh \(P.\) Ltd. v.DCIT](#)

*Practical Tips for Post Search  
proceedings*

# **TIPS .....**

- **Systematically arrange and make analysis of all the seized documents.**
- **Sort the documents assessee wise, assessment year wise and premises wise.**
- **Sort the documents having financial relevance and financially irrelevant.**
- **If the documents are financially relevant, ascertain how they are explainable vis a vis books of accounts or other details available with the Income Tax Department or are found / seized from the premises searched or surveyed.**

# **TIPS .....**

- See if the explanation is available about all the records available with the Income tax department.
- Offer Peak Credits as undisclosed income,if any.
- Return of income u/s 153A should be filed judiciously after consideration of records and material lying with income tax department.
- Where any undisclosed income is offered in the return filed u/s 153A then the expenditure incurred to earn that income may also be claimed.
- File returns under protest if required notices are not properly issued & challenge the validity of proceedings at the time of Assessments itself.

**THANK YOU!!!**

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