

आयकर अपीलीय अधिकरण, 'सी' न्यायपीठ, चेन्नई। IN THE INCOME TAX APPELLATE TRIBUNAL 'C' BENCH: CHENNAI श्री एबी टी. वर्की, न्यायिक सदस्य एवं श्री अमिताभ शुक्ला, लेखा सदस्य के समक्ष BEFORE SHRI ABY T. VARKEY, JUDICIAL MEMBER AND SHRI AMITABH SHUKLA, ACCOUNTANT MEMBER		
आयकर अपील सं./ITA No.1176/Chny/2025 निर्धारण वर्ष/Assessment Year: 2012-13		
Kaliyaperumal Padmanaban, North Street, Karikuppam, C. Puthupettai, Parangipettai, Cuddalore-608 502.	v.	The ITO, Ward-2, Cuddalore.
[PAN: BVPPP 3938 R]		
(अपीलार्थी/Appellant)		(प्रत्यर्थी/Respondent)
अपीलार्थी की ओर से/ Appellant by	:	Mr.N. Arjun Raj, Advocate
प्रत्यर्थी की ओर से /Respondent by	:	Ms. Anitha, Addl. CIT
सुनवाईकीतारीख/Date of Hearing	:	15.07.2025
घोषणाकीतारीख /Date of Pronouncement	:	25.08.2025

आदेश / ORDER

PER ABY T. VARKEY, JM:

This is an appeal preferred by the assessee against the order of the Learned Commissioner of Income Tax (Appeals)/NFAC, (hereinafter referred to as "the Ld.CIT(A)"), Delhi, dated 28.02.2025 for the Assessment Year (hereinafter referred to as "AY") 2012-13.

2. At the outset, the Ld.AR of the assessee wanted us to take up the legal issue which according to him was that the AO failed to follow the prescription of law while passing the assessment order dated 29.09.2021



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u/s.144 r.w.s.147 of the Income Tax Act, 1961 (hereinafter referred to as "the Act"). Drawing our attention to the assessment order dated 29.09.2021, the Ld.AR pointed out that there is no "DIN" endorsed on the body of the assessment order, which is in violation of the binding order of the CBDT Circular No.19/2019 dated 14.08.2019. Therefore, according to the Ld.AR, the omission of the AO not complying with the aforesaid CBDT Circular and communicating the assessment order without quoting "DIN" [electronically], the assessment order is invalid. For such a proposition, the Ld.AR cited the decision of the Hon'ble Madras High Court dated 10.06.2025 in the case of CIT, International Taxation, Chennai v. M/s.Laserwoods US Inc. [TCA No.46 of 2025]. And also cited the decision of the Hon'ble Bombay High Court in the case of Ashok Commercial Enterprises v. ACIT reported in [2023] 154 taxmann.144 (Bom.) and number of other cases. Therefore, in the light of the aforesaid submissions, the Ld.AR wants us to allow the legal issue raised before us.

3. Per contra, the Ld.DR submitted that the "DIN" was generated, but the same has couldn't be incorporated in the assessment order dated 29.09.2021. But immediately thereafter i.e., on the same day, an intimation letter was issued with DIN:ITBA/AST/S/91/2021-22/1036022859(1) which was communicated to the assessee and drew our attention to the copy of the report by the ITO Ward-2, Cuddalore wherein the aforesaid facts have been reiterated. Therefore, according to



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the Ld.DR, since the "DIN" has been intimated to the assessee on the same day, and there can't be any prejudice caused to the assessee and therefore, the legal issue needs to be dismissed.

4. Having heard both the parties and after perusal of the records, it is noted that the impugned assessment order has been passed by the AO on 29.09.2021 u/s.144 r.w.s.147 of the Act for AY 2012-13 without incorporating in its body, the "DIN". In the absence of "DIN" being not quoted in the assessment order, we find the action of the AO passing the assessment order to be in violation of the binding Circular No.19/2019 of CBDT dated 14.08.2019, which omission vitiates the assessment order. The Ld.AR has drawn our attention to Para No.4 of the ibid Circular and asserted that if "DIN" is not quoted in the body of the assessment order, then the assessment should be treated as invalid and deemed to have never been issued. It would be gainful to refer to the contents of the Circular No.19/2019 which reads as under:

Circular No.19/2016 [F.No.225/95/2019-ITA.II], dated 14.08.2019.

Subject: Generation/Allotment/Quoting of Document Identification Number in Notice/Order/Summons/letter/correspondence issued by the Income-tax Department -reg.

With the launch of various e-governance initiatives, Income-tax Department is moving toward total computerization of its work. This has led to a significant improvement in delivery of services and has also brought greater transparency in the functioning of the tax-administration. Presently, almost all notices and orders are being generated electronically on the Income Tax Business Application (ITBA) platform. However, it has been brought to the notice of the Central Board of Direct Taxes (the Board) that there have been some instances in which the notice, order, summons, letter and any correspondence (hereinafter referred to as "communication") were found to have been issued manually, without maintaining a proper audit trail of such communication.



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2. In order to prevent such instances and to maintain proper audit trail of all communication, the Board in exercise of power under section 119 of the Income-tax Act, 1961 (hereinafter referred to as "the Act"), has decided that no communication shall be issued by any inc tax authority relating to assessment, appeals, orders, statutory or otherwise, exempt enquiry, investigation, verification of information, penalty, prosecution, rectification, app etc. to the assessee or any other person, on or after the 1 day of October, 2019 unless computer-generated Document Identification Number (DIN) has been allotted and is quoted in the body of such communication.

3. In exceptional circumstances such as,

(i) when there are technical difficulties in generating/allotting/quoting the DIN and issuance of communication electronically; or

(ii) when communication regarding enquiry, verification etc. is required to be issued by an income-tax authority, who is outside the office, for discharging his official duties; or

(iii) when due to delay in PAN migration, PAN is lying with non-jurisdictional Assessing Officer; or

(iv) when PAN of assessee is not available and where a proceeding under the Act (other than verification under section 131 or section 133 of the Act) is sought to be initiated; or

(v) When the functionality to issue communication is not available in the system,

the communication may be issued manually but only after recording reasons in writing in the file and with prior written approval of the Chief Commissioner/Director General of income-tax. In cases where manual communication is required to be issued due to delay in PAN migration, the proposal seeking approval for issuance of manual communication shall include the reason for delay in PAN migration. The communication issued under aforesaid circumstances shall state the fact that the communication is issued manually without a DIN and the date of obtaining of the written approval of the Chief Commissioner/Director General of Income-Tax for issue of manual communication in the following format-

".. This communication issues manually without a DIN on account of reason/reasons given in para 3(1)/3(ii)/3(iii)/3(iv)/3(v) of the CBDT Circular No ...dated (strike off those which are not applicable) and with the approval of the Chief Commissioner/Director General of Income Tax vide number.... dated

4. Any communication which is not in conformity with Para-2 and Para-3 above, shall be treated as invalid and shall be deemed to have never been issued.

5. The communication issued manually in the three situations specified in para 3- (i), (ii) or (iii) above shall have to be regularised within 15 working days of its issuance, by-

- i. uploading the manual communication on the System.
- ii. compulsorily generating the DIN on the System;



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- iii. communicating the DIN so generated to the assessee/any other person as per electronically generated pro-forma available on the System.

6. An intimation of issuance of manual communication for the reasons mentioned in para 3(v) shall be sent to the Principal Director General of Income-tax (Systems) within seven days from the date of its issuance.

7. Further, in all pending assessment proceedings, where notices were issued manually, prior to issuance of this Circular, the income-tax authorities shall identify such cases and shall upload the notices in these cases on the Systems by 31th October, 2019.

5. At this juncture, the Ld.AR brought to our notice that the Hon'ble Delhi High Court order dated 20.03.2023 in the case of M/s Brandix Mauritius Holdings Ltd., reported in [2023] 456 ITR 34 (Delhi), wherein the Hon'ble Court had an occasion to explain the Circular at Para Nos.3 to 8.3 of order, which is noted as under:

3. Inter alia, the object and purpose of allocating DIN to the communications, such as notices, orders, summons, letters and/or any correspondence emanating from the revenue is to maintain a proper audit trail.

3.1 Therefore, the CBDT, in exercise of its powers, has mandated that no communication shall be issued by any income tax authority relating to assessment, appeals, orders, statutory or otherwise, exemptions, enquiry, investigation, verification of information, penalty, prosecution, rectification, approval etcetera, to the assessee or any other person, on or after 01.10.2019 unless it is allotted a computer-generated DIN.

3.2 Further, there is a specific requirement under the 2019 Circular to quote the DIN in the body of any such communication.

4. The 2019 Circular also sets out certain circumstances in which exceptions can be made. These circumstances are categorically referred to in paragraph 3 of the 2019 Circular. For the sake of convenience, paragraph 3, in its entirety, is extracted hereafter:

"3. In exceptional circumstances such as, -

(i) when there are technical difficulties in generating/allotting/quoting the DIN and issuance Of communication electronically; or

(ii) when communication regarding enquiry, verification etc. is required to be issued by an income-tax authority, who is outside the office, for discharging his official duties; or



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(iii) when due to delay in PAN migration, PAN is lying with non-jurisdictional Assessing Officer; or

(iv) when PAN of assessee is not available and where a proceeding under the Act (other than verification under section 131 or section 133 of the Act) is sought to be initiated; or

(v) When the functionality to issue communication is not available in the Neutral Citation No: 2023:DHC:2502-DB system, the communication may be issued manually but only after recording reasons in writing in the file and with prior written approval of the Chief Commissioner / Director General of income tax. In cases where manual communication is required to be issued due to delay in PAN migration, the proposal seeking approval for issuance of manual communication shall include the reason for delay in PAN migration. The communication issued under aforesaid circumstances shall state the fact that the communication is issued manually without a DIN and the date of obtaining of the written approval of the Chief Commissioner / Director General of Income-Tax for issue of manual communication in the following format-

"..This communication issues manually without a DIN on account of reason/reasons given in para 3 (i)/3(ii)/3 (iii)/3 (iv)/3 (v) of the CBDT Circular No ... dated (strike off those which are not applicable) and with the approval of the Chief Commissioner / Director General of Income Tax vide number dated "

5. It is relevant to note that insofar as the exceptions given in paragraph 3 (i), (ii) and (iii) are concerned, the specified authority is required to take steps to regularise the failure to quote DIN within fifteen (15) working days. The manner in which regularisation is to take place is set out in paragraph 5. Once again, for the sake of convenience, the relevant part of paragraph 5 of the 2019 Circular is extracted hereafter:

"5. The communication issued manually in the three situations specified in para 3- (i), (ii) or (iii) above shall have to be regularized within 15 working days of its issuance, by -

- i. uploading the manual communication on the System.
- ii. compulsorily generating the DIN on the System;
- iii. communicating the DIN so generated to the assessee/any other person as per electronically generated pro-forma available on the System."

6. Furthermore, the 2019 circular, in paragraph 6, states that the intimation of issuance of manual communication, for the reasons mentioned in paragraph 3(v), shall be sent to the Principal Director General of Income- Tax (Systems) within seven (7) days from the date of its issuance.

7. As a matter of fact, paragraph 7 of 2019 Circular mandates alignment Neutral Citation No: 2023:DHC:2502-DB of all pending assessment proceedings, where notices were issued manually, prior to the issuance of the said circular, by having them uploaded in the system by the date given therein, i.e., 31.10.2019.



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8. Therefore, any communication which is not in conformity with the provisions of paragraph 2 and 3 of the 2019 Circular is to be treated as invalid, as if it was never issued [See paragraph 4 of the 2019 Circular1].

8.1 In a nutshell, communications referred to in the 2019 Circular would fall in the following slots:

- i. Those which do not fall in the exceptions carved out in paragraph 3(i) to (v)
- ii. Those which fall in the exceptions embedded in paragraph 3(i) to (v), but do not adhere to the regime set forth in the 2019 Circular.

8.2 Therefore, whenever communications are issued in the circumstances alluded to in paragraph 3(i) to (v), i.e., are issued manually without a DIN, they require to be backed by the approval of the Chief Commissioner/Director General. The manual communication is required to furnish the reference number and the date when the approval was granted by the concerned officer. The formatted endorsement which is required to be engrossed on such a manual communication, should read as follows:

" . . . This communication issues manually without a DIN on account of reason/reasons given in para 3(i)/3(ii)/3(iii)/3(iv)/3(v) of the CBDT Circular No ... dated (strike off those which are not applicable) and with the approval of the Chief Commissioner / Director General of Income Tax vide number dated "

8.3 As indicated hereinabove, insofar as communications falling in circumstances alluded to in paragraph 3(i) to 3(iii) are concerned, the "4. Any communication which is not in conformity with Para-2 and Para-3 above, shall be treated as Neutral Citation No: 2023:DHC:2502-DB process of regularization in the manner indicated in paragraph 5, should take place within fifteen (15) working days of its issuance. This period of regularization with regard to the circumstance referred to in paragraph 3(v) is reduced to seven (7) days, and is required to be marked to the Principal Director General of Income-Tax (Systems) [See paragraph 6 of the 2019 Circular2].

6. In the light of the aforesaid CBDT Circular being explained by their Lordships and in the light of the settled position of law that Circular issued by the CBDT in exercise of its power u/s 119 of the Act, as binding on the Revenue, consequence of not following the direction is to be held as fatal as referred to it in Para No.4 wherein, it has been made clear by the CBDT that any communication which is not in conformity at Para Nos.3-4 of the Circular, shall be treated as invalid and shall be deemed to have



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never been issued. Before us, the Ld.DR couldn't bring on record that the assessee's case falls in exception which is given in Para No.3 of the ibid Circular. In such a scenario, according to us, the department was bound to follow the Circular and violation of it is fatal to the Revenue; and in the said event, we find that assessee succeeds on the legal issue and the consequences as set out in the Para No.4 of the Circular follows viz., the invalidity of the assessment order. Before parting, we would like to address the contention of Ld DR that in the present case, though the AO didn't quote the DIN in the body of assessment, but he intimated the DIN on the same day to the assessee, which action would anyway cure the technical fault if any, doesn't impress us and according to us, such an action, would not cure the impugned assessment order. Similar contention/action taken by the Revenue was repelled by the Hon'ble Madras High Court in the case of M/s.Laserwoods US Inc. (supra) [refer to Para No.12] wherein their Lordships have upheld the action of this Tribunal wherein, inter alia, "DIN" wasn't reflected in the DRP/assessment order, but it was intimated on the same day (as in the present case). The Tribunal in that case is noted to have held the action of the DRP & the consequent AO order to be invalid for violating the mandate given in CBDT Circular (supra), which action of the Tribunal was upheld by the Hon'ble Madras High Court, even though the DIN was intimated on the same day (refer para 12 infra) by holding as under:



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2. Respondent/assessee aggrieved by the final assessment order passed under Section 143 (3) r/w Section 144C (13) r/w Section 254 of the Income Tax Act, 1961 [hereinafter referred to as 'the Act'], for the assessment year 2015-16 filed an appeal in IT (TP) A.No.44/CHNY/2021, before the Income Tax Appellate Tribunal [hereinafter referred to as 'ITAT'].

3. ITAT by impugned order allowed the appeal holding that the direction issued by the Dispute Resolution Panel [hereinafter referred to as 'DRP'] under Section 144C (5) of the Act did not contain a Document Identification Number [hereinafter referred to as 'DIN'] as mandated by the Central Board of Direct Taxes [hereinafter referred to as 'CBDT'] by its Circular No.19/2019 [F.No.225/95/2019-ITA II] dated 14.08.2019 [hereinafter referred to as 'Circular']; that the subsequent communication intimating the DIN for DRP proceedings did not satisfy the conditions prescribed in paragraph No.3 of the circular; and that therefore, the directions are invalid in law and as a sequitur, the assessment order which was impugned before ITAT is liable to be quashed. In the instant case, the assessment order also did not contain a DIN. Aggrieved by the said order passed in common along with the challenges made by other assesseees raising the same points, appellant is before us.

4. Appellant in the grounds of appeal has proposed the following substantial questions of law.

"1. Whether on the facts and circumstances of the case the Income Tax Appellate Tribunal is correct in holding that that department has not complied with the CBDT Circular No.19/2019 dated 14.08.2019 even when the manual order was communicated with DIN and in addition to that order was also communicated by e-portal and email with intimation letter and that also had DIN and the information of the DIN of the assessment order, all these were done within 15 days as mandated in the said Circular.

2. Whether on the facts and circumstances of the case, the Ld. Income Tax Appellate Tribunal had failed to consider that electronic quoting of DIN is only a procedural issue and the fact that DIN is issued only to keep track of the proceedings for audit trial of the department and to ensure genuineness of the orders passed and that non- mentioning of the DIN in the DRP order electronically which was otherwise generated immediately and informed to the assessee is sufficient compliance of the CBDT Circular No.19/2019 dated 14.08.2019.

3. Whether the Ld. Income Tax Appellate Tribunal is right in not appreciating the fact that the impugned final assessment order had electronically generated valid DIN which order alone is challengeable before the ITAT and that the directions of the DRP merged with the final assessment orders serves only as a guidance to the Assessing Officers to pass the final assessment orders."

5. Mr.Karthik Ranganathan, learned counsel for appellant/revenue, submitted that DRP proceedings had a valid DIN and was also subsequently communicated to assessee by another communication and therefore, the requirement under the circular has been complied with; and that in any case, assessee had not challenged the directions issued by DRP and therefore, the impugned assessment order ought not to have been quashed.

6. Mr. Balaji, learned counsel for respondent/assessee submitted that apart from the fact that a DIN was not generated electronically for DRP proceedings, the subsequent communication does not satisfy the requirement in paragraph



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No.3 of the circular, i.e., to state the reasons in the prescribed format for not generating the DIN; that in the instant case, the assessment order also does not contain a DIN; and that therefore, the impugned order by ITAT does not call for any interference.

7. It is not in dispute that the assessment order which was challenged before ITAT was passed pursuant to the directions of DRP. The circular issued by the Director of CBDT reads as follows:

"CIRCULAR NO.19/2019 (F. NO.225/95/2019-ITA.II], DATED 14-8-2019

Subject: Generation / Allotment / quoting of Document Identification Number in Notice / Order / Summons / letter / correspondence issued by the Income-tax Department - reg.

With the launch of various e-governance Initiatives, Income tax Department is moving toward total computerization of its work. This has led to a significant improvement in delivery of services and has also brought greater transparency in the functioning of the tax-administration. Presently, almost all notices and orders are being generated electronically on the Income Tax Business Application (ITBA) platform. However, it has been brought to the notice of the Central Board of Direct Taxes (the Board) that there have been some instances in which the notice, order, summons, letter and any correspondence (hereinafter referred to as "communication" were found to have been issued manually, without maintaining a proper audit trail of such communication.

2. In order to prevent such instances and to maintain proper audit trail of all communication, the Board in exercise of power under section 119 of the income-tax Act, 1961 (hereinafter referred to as "the Act"), has decided that no communication shall be issued by any income-tax authority relating to assessment, appeals, orders, statutory or otherwise, exemptions, enquiry, investigation, verification of information, penalty, prosecution, rectification, approval etc. to the assessee or any other person, on or after the 1st day of October, 2019 unless a computer-generated Document Identification Number (DIN) has been allotted and is duly quoted in the body of such communication.

3. In exceptional circumstances such as,-

(i) when there are technical difficulties in generating/allotting/quoting the DIN and issuance of communication electronically; or

(ii) when communication regarding enquiry, verification etc. is required to be issued by an income-tax authority, who is outside the office, for discharging his official duties; or

(iii) when due to delay in PAN migration, PAN is lying with non-jurisdictional Assessing Officer; or

(iv) when PAN of assessee is not available and where a proceeding under the Act (other than verification under section 131 or section 133 of the Act) is sought to be initiated; or



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(v) when the functionality to issue communication is not available in the system,

the communication may be issued manually but only after recording reasons in writing in the file and with prior written approval of the Chief Commissioner/ Director General of income- tax. In cases where manual communication is required to be issued due to delay in PAN migration, the proposal seeking approval for issuance of manual communication shall include the reason for delay in PAN migration. The communication issued under aforesaid circumstances shall state the fact that the communication is issued manually without a DIN and the date of obtaining of the written approval of the Chief Commissioner/ Director General of Income-tax for issue of manual communication in the following format-

"..... This communication issues manually without a DIN on account of reason/reasons given in para3(i)/3(ii)/3(iii)/3(iv)/3(v) of the CBDT Circular No dated (strike off those which are not applicable) and with the approval of the Chief Commissioner/Director General of Income Tax vide number dated"

4. Any communication which is not in conformity with Para-2 and Para-3 above, shall be treated as invalid and shall be deemed to have never been issued.

5. The communication issued manually in the three situations specified in para 3- (i), (ii) or (iii) above shall have to be regularised within 15 working days of its issuance, by-

i. uploading the manual communication on the System.

ii. compulsorily generating the DIN on the System;

iii. communicating the DIN so generated to the assessee/any other person as per electronically generated pro- forma available on the System.

6. An intimation of issuance of manual communication for the reasons mentioned in para 3(v) shall be sent to the Principal Director General of Income-tax (Systems) within seven days from the date of its issuance.

7. Further, in all pending assessment proceedings, where notices were issued manually, prior to issuance of this Circular, the Income-tax authorities shall identify such cases and shall upload the notices in these cases on the Systems by 31th October, 2019."

8. It is well settled that circulars issued by CBDT in exercise of its powers under Section 119 of the Act are binding on the revenue. The consequences of not following the directions issued in the circular are also provided in the circular.

9. Paragraph No.4 of the circular extracted above would make it clear that any communication which is not in conformity with paragraph Nos.2 and 3 of the circular shall be treated as invalid and shall be deemed to have never been issued.



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10. Paragraph No.3 of the circular provides for exceptional circumstances where the mandatory requirement may not be adhered to but requires that if an order/communication is issued without a DIN, it could be done after recording reasons in writing in the file and with prior written approval of the Chief Commissioner / Director General of Income Tax. Paragraph No.3 also states that if DIN is not generated and quoted in the body of the communication, then reasons for not generating and quoting DIN should be mentioned in a specific format set out in paragraph No.3 of the circular, which is extracted supra.

11. From the third question of law raised by appellant, it could be seen that their stand is that even assuming that the proceedings of DRP did not contain a valid DIN, it would not render the DRP directions invalid. It is their case, that the proceedings of the DRP is not an order of an income tax authority and therefore, the circular requiring the generation of DIN would not be applicable to DRP proceedings. This submission cannot hold water.

12. Firstly, on facts, it is the case of appellant that there was a DIN generated and it was written in hand in the proceedings of DRP and subsequently, communicated to assessee on the same day, i.e., on 12.02.2021. Therefore, appellant concedes that DIN has to be generated for DRP proceedings.

13. Secondly, the issue is no longer res integra. A Division Bench of Bombay High Court in Ashok Commercial Enterprises v. Assistant Commissioner of Income Taxation¹ in which one of us [the Hon'ble Chief Justice] was a member, held as follows:

"18 (b)...

19. The object and purpose of the issuance of the 2019 Circular, as indicated hereinabove, inter alia, was to create an audit trail. Therefore, the communication relating to assessments, appeals, orders, etcetera which find mention in paragraph 2 of the 2019 Circular, albeit without DIN, can have no standing in law, having regard to the provisions of paragraph 4 of the 2019 Circular.

(c) During the course of hearing, Mr. Suresh Kumar produced an intimation letter dated 13th October 2021 stating that the order dated 28th September 2021 under Section 153C of the Act has a DIN, which is set out therein. Even if this is held to be in compliance with paragraph 5 of the Circular, which deals with regularization of communications without DIN, this can only seek to regularize the failure to generate a DIN, but yet the requirements of paragraph 3 of the Circular will still remain contravened and consequently, the order dated 28th September 2021 ought to be treated as invalid and never issued;

(d) The said Circular also applies to the satisfaction note dated 13th July 2021 issued by respondent no.1. The satisfaction note will fall within the scope of paragraph 2 of the Circular as a communication of the specified type issued to any person. In the case of the satisfaction note no regularization dated 13th October 2021 has been issued;

(e) In view of the binding nature of Circular issued under Section 119 of the Act, and the peculiar facts and circumstances of the case, the consequences of contravention of the Circular set out above, therefore, ought to be given full effect to. The object of the said Circular is clear



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and laudatory and intended to ensure that proper trail of all assessment and other orders are maintained and further that any deviation therefrom can only be undertaken after prior written approval of the higher authorities under the Act. Therefore, the satisfaction note dated 13 th July 2021 and the impugned order of assessment dated 28th September 2021 ought to be treated as invalid and deemed never to have been issued;

(f) On this ground, rule ought to be made absolute in the following petitions :

A.Y. 2011-2012 - WP No.2593 of 2021
A.Y. 2012-2013 - WP No.2598 of 2021
A.Y. 2013-2014 - WP No.2847 of 2021
A.Y. 2014-2015 - WP No.2597 of 2021
A.Y. 2015-2016 - WP No.2594 of 2021
A.Y. 2016-2017 - WP No.2588 of 2021
A.Y. 2017-2018 - WP No.2595 of 2021
A.Y. 2018-2019 - WP No.2625 of 2021
A.Y. 2019-2020 - WP No.2696 of 2021"

14. Thus, even a satisfaction note according to the Division Bench would fall within the scope of paragraph No.2 of the circular and therefore, in our view, there cannot be any doubt that the directions of the DRP which consists of a collegium of three Income Tax Commissioners also would fall within the scope of paragraph No.2 of the circular.

15. Apart from the fact that DRP proceedings did not contain a valid DIN and is invalid for the reasons stated above, we find that the assessment order also in this case does not contain a DIN. There is no explanation offered by appellant for not generating the DIN in the assessment order. Therefore, the assessment order is invalid for both the reasons and we find no merit in the above appeal. The substantial questions of law are answered accordingly.

16. As a result, the Tax Case Appeal is dismissed. There shall be no order as to costs. Consequently, interim applications stand closed.

(emphasis supplied)

7. Therefore, we find no merit in the contention of Ld DR, that intimation of DIN on the same day cures the impugned assessment order because the AO was bound to follow the CBDT circular and the omission/derelection is anathema to the basic feature of our Constitution "Rule of Law", so his impugned action of passing the assessment order without quoting the DIN is held to be arbitrary exercise of power and therefore, invalid. In the light of the aforesaid discussion, the assessee succeeds on the legal issue and therefore, we are not inclined to go into



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the merits of the appeal preferred by the assessee and quas the impugned assessment order.

8. In the result, appeal filed by the assessee is allowed.

Order pronounced on the 25th day of August, 2025, in Chennai.

Sd/-

(अमिताभ शुक्ला)

(AMITABH SHUKLA)

लेखा सदस्य/**ACCOUNTANT MEMBER**

Sd/-

(एबी टी. वर्की)

(ABY T. VARKEY)

न्यायिक सदस्य/**JUDICIAL MEMBER**

चेन्नई/Chennai,

दिनांक/Dated: 25th August, 2025.

TLN

आदेश की प्रतिलिपि अग्रेषित/**Copy to:**

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकरआयुक्त/CIT, Chennai / Madurai / Salem / Coimbatore.
4. विभागीयप्रतिनिधि/DR
5. गार्डफाईल/GF