INCOME TAX ACT • 1961 vs 2025 • COMPLETE PRACTITIONER GUIDE

SEARCH, SEIZURE & SURVEY

Under the Income-Tax Act, 1961 → 2025

- Complete Section-wise Analysis with Case Laws
- ITA 1961 → ITA 2025 — Landmark Judgments — Digital Search Powers
- 34-Case Verified Digest — Caveats & Verification

Sections 247 | 248 | 250 | 251 | 253 | 254 | 292–301 | 439–484

Seminar Presentation • Income Tax Laws • A Verified Dossier

OVERVIEW

What This Deck Covers — Topic Index

12 parts across 47 slides — topic index with page references

PART 01

01

Section Mapping 1961 → 2025

Comprehensive cross-reference — Search, Seizure, Survey, Block Assessment & Penalty

SECTION MAPPING

Master Section Map — ITA 1961 → ITA 2025

Search, Seizure, Survey and Penalty provisions

ITA 1961	ITA 2025	Subject Matter
S. 131	S. 246	Power regarding discovery, production of evidence
S. 132	S. 247	Search and Seizure
S. 132A	S. 248	Powers to Requisition
S. 132B	S. 250	Application of Seized or Requisitioned Assets
S. 132BB	S. 251	Copying, retention & release of books/documents
S. 133A	S. 253	Powers of Survey
S. 133B	S. 254	Power to collect certain information

SECTION MAPPING

Search & Seizure — S.132 → S.247

ITA 1961 Provision	ITA 2025 Section	Key Change / Note
S.132(1)(i) — Enter & search	S.247(1)(i)	Same power; broader ‘asset’ umbrella; includes aircraft
S.132(1)(ii) — Break open lock	S.247(1)(iii)	NEW: Can override access codes to computer systems
S.132(1)(iia) — Search person	S.247(1)(iv)	Covers persons with electronic access
S.132(1)(iib) — Electronic records	S.247(1)(ii)	Broadened to any electronic info / computer system
S.132(1)(iii) — Seizure	S.247(1)(vii)	Computer systems seizable; ‘asset’ is broad term
S.132(3) — Restraint order (60 days)	S.247(4)(b)	NEW: Covers bank lockers & bank accounts
S.132(4) — Examination on oath	S.247(6)	NEW: ANY person present; persons with computer access
S.132(4A) — Presumptions (3)	S.247(7)	NEW: 2 additional presumptions for electronic records
S.132(9B) — Provisional attachment	S.247(8)	Rules now under S.413 instead of Second Schedule
S.132(13) — CrPC 1973 applicability	S.247(10)	CrPC replaced by BNSS 2023 (effective July 2024)
— (New provision)	S.247	Uses ‘competent authority’ — simplified designation vs listing specific officer ranks
— (New provision)	S.247 / S.261	All digital assets & virtual digital space now explicitly covered

SECTION MAPPING

Retention, Survey & Presumption — S.132(8)/133A/292C → S.251/253/524

ITA 1961 Provision	ITA 2025 Section	Key Change / Note
S.132(8) — Retention limit	S.251(3)	Same 30-day limit with AO approval
S.132(9) — Copy of documents	S.251(2)	Now includes copies of electronic records
S.132(9A) — Hand over to AO (180 days)	S.251(1)	Same 180-day period retained
S.132A — Requisition	S.248	Adds electronic media & VDA; reason to believe bar retained
S.132B — Application of seized assets	S.250	No substantive change; language modernised
S.133A — Survey powers	S.253	Major change: statements NOW ON OATH; evidentiary value equals search statements
S.292C — Presumption (search/survey)	S.524	NEW: Virtual digital assets & electronic exchanges covered

SECTION MAPPING

Assessment, Block Assessment & Penalty Provisions

Cutover rule: searches on/after 01.09.2024 → Chapter XIV-B governs

Subject Matter	ITA 1961	ITA 2025	Key Change / Note
Block Assessment — Chapter XIV-B (ss.158B–158BI): block period, 60% flat tax, Form ITR-B	Ss.158B–158BI (re-inserted w.e.f. 01.09.2024)	Ss.292–301	APPLIES to searches on/after 01.09.2024. Supersedes 153A for those cases.
Assessment in search cases (6 preceding AYs)	S.153A	Ss.294–295 (approx.)	Only for searches BEFORE 01.09.2024
Assessment of 'any other person'	S.153C	Equivalent, 2025 Act	Pre-01.09.2024. Post: S.158BD → S.295

CUTOVER Search/requisition on/after 01.09.2024 → Chapter XIV-B (block period, ITR-B, 60% flat tax). *Before 01.09.2024 → S.153A/153C year-by-year regime. Both co-exist simultaneously.*

PART 02

02

Pre-Survey & Search Precautions

Essential steps before an Income Tax survey or search

Before a Survey or Search — Do's & Don'ts

AVOID — Do Not:

- Keep books at a place other than the registered office.
- Share common premises without proper MAP/area assignment notices.
- Keep personal documents of workers in business premises.
- Backdate or edit books of account.
- Use residential address as business place/address.

ENSURE — Must Do:

- Computer hard disk contains no irrelevant data; books are properly updated.
- Person in charge has proper acquaintance of business affairs.
- Stock registers maintained and updated; physical cash matches books.
- Assessment particulars of Directors/Partners/Members are readily available.
- Cross-verification records (Gate, Security, Stores) are in reconciliation.
- Books of accounts at the registered office address only.

PART 03

03

Survey — Powers & Obligations

Section 133A (ITA 1961) | Section 253 (ITA 2025)

Survey ≠ Search — S.253 vs S.247

Key distinctions every practitioner must know

Aspect	S.247 — SEARCH	S.253 — SURVEY
Legal Basis	Reason to believe — non-compliance / concealment	Verification exercise — no suspicion needed
Warrant	YES — Search warrant required	NO — No warrant needed
Seizure Power	CAN seize assets, documents, digital records	Generally CANNOT seize assets
Oath Examination	CAN examine on oath [S.247(6)]	CAN examine on oath [S.253(5)(b)] — ITA 2025 NEW
Evidentiary Value	Statement has FULL evidentiary value	ITA 2025: FULL value (was zero under ITA 1961)
Digital Access	Override passwords, access cloud storage	Same digital verification powers [S.253(1)]
Invasion Level	HIGH — Coercive power of state	LOWER — Verification only
Prior Approval	Competent authority order required	NEW: Pr.DGIT/DGIT/Pr.CCIT/CCIT mandatory [S.253(10)]
Challenge Forum	High Court for challenging legality	High Court / appropriate tribunal

Entry, Timing & Powers During Survey

S.133A(1)/(2)/(3) → S.253(1)/(3)/(5)

ITA 1961 Provision	ITA 2025 Section	Key Change / Note
S.133A(1) — Entry into place of business	S.253(1) — Business/profession/charitable activity	ITA 2025 adds ‘charitable activity’; includes electronic systems
Require facility from proprietor/employee	Require technical assistance including access codes	Broader: covers electronic systems, not just physical books
Inspect books of accounts or other documents	Inspect books, documents, or computer systems	Computer systems explicitly covered
S.133A(2) — Entry only during business hours	S.253(3) — Same; charitable activity premises added	No change in entry timing restrictions
S.133A(3)(i) — Mark identification; extracts/copies	S.253(5)(a) — Expressly includes computer systems	Extracts/copies now from computer systems too
S.133A(3)(ia) — Impound books (up to 15 days)	S.253(5)(c) — Impound books OR computer systems	NEW: Computer systems can also be impounded
S.133A(3)(iii) — Record statement (NOT on oath)	S.253(5)(b) — Record statement ON OATH	CRITICAL: Survey statements now carry full evidentiary weight
S.133A(5) — Lavish spending on function	S.253(8) — Statements ON OATH	NEW: Oath required for statements at lavish functions

SURVEY POWERS

TDS/TCS Verification & Non-Removal Rules

S.133A(2A)/(4) → S.253(4)/(7)

ITA 1961 Provision	ITA 2025 Section	Key Change / Note
S.133A(2A) — TDS/TCS verification entry	S.253(4) — TDS/TCS verification; sunrise to sunset	Same entry rules; covers electronic records
Cannot impound books in TDS survey	S.253(6) — Can only mark + record statement	No substantive change
S.133A(4) — No removal of cash/stock or other valuable article or thing from premises	S.253(7) — No removal of asset or stock	Simpler language; 'asset or stock' **replaces valuable article or thing**
S.133A(6) — Non-cooperation: S.131(1) invoked	S.253(9) — Non-cooperation: S.246(1) invoked	S.246(1) is ITA 2025 equivalent of S.131(1)

PART 04

04

Statements During Survey

Recording, precautions & key differences — S.133A(3)(iii) | S.253(5)(b)

Survey Statements — ITA 1961 vs ITA 2025

The single most critical change for practitioners

Aspect	ITA 1961	ITA 2025	Practical Impact
S.133A(3)(iii)	Statement NOT on oath	S.253(5)(b): Statement ON OATH	CRITICAL — evidentiary weight now equals search
Evidentiary value	Limited — corroboration only	Full — same as search statements	Practitioners must advise clients accordingly
Addition solely on basis of statement	Not sustainable (case law)	Still needs corroboration; stronger presumption	CBDT directive on coercion still applies
Oath default	Only when S.131 invoked	DEFAULT for all S.253(5)(b) statements	Fundamental change in survey procedure
Retraction burden	Onus on assessee; relatively manageable	Heavier burden given oath requirement	Late retraction valid only if bona fide grounds exist

CBDT INSTRUCTIONS — STILL APPLY UNDER ITA 2025

- CBDT Circular No.286/2/03-IT(Inv) dt.10/03/2003: No confessional statement to be elicited — continues under ITA 2025.
- CBDT Letter F.No.286/98/2013-IT(INV.II) dt.18/12/2014: Focus on evidence, not admissions under coercion.

Precautions While Making Statement During Survey

Critical checklist for assessees & practitioners — even more important under ITA 2025 oath requirement

- Is there any evidence found that could lead to inference of concealment?
- Is there any discrepancy between stock in hand and stock as per books?
- Are provisions of S. 38(1)(erstwhile S.40A(3)), S. 185 (erstwhile S.269SS), S. 186 (erstwhile S.269T) kept in mind before any confession?
- Is it safer to disclose income under ‘Other Sources’ or ‘Business Income’?
- Would it be desirable to declare entire amount as current year income or spread over years?
- Is it possible to capitalize the disclosed amount? Will survey reopen earlier years?
- Disclosure must cover ALL discrepancies found AND those that may be unearthed later.
- Before retracting: prove circumstances are bona fide and not afterthought [DCIT vs Bhogilal Moolchand (2005)].

ITA 2025: Sworn statement has ENHANCED evidentiary value — retraction faces higher scrutiny. Never make statement under duress.

Survey — Key Case Laws

Assessment vis-à-vis material collected, retraction & voluntary surrender

Diplast Plastics — [2010] 186 Taxman 317 (P&H)

Documents found during survey have no evidentiary value unless proved by cogent material and books of account.

Chawla Brothers v. ACIT — 2011 43 SOT 651 (Mum.)

Differences in stock found at survey do not lead to automatic addition — subject to explanation and reconciliation.

B. Ramakrishnaiah v. ITO — [2010] 39 SOT 379 (Hyd.)

Addition based on admission during survey without supportive material is not sustainable.

Dr. S.S. Gulati v. DCIT — ITA No.671/2009 (P&H HC)

Statement cannot be asked to be ignored after voluntary surrender by assessee.

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PART 05

05

Search & Seizure

Section 132 (ITA 1961) | Section 247 (ITA 2025)

Section 247 — Search & Seizure: Statutory Basis

Old Section 132, ITA 1961 → New Section 247, ITA 2025

STATUTORY BASIS — REASON TO BELIEVE:

- Person in possession of assets representing undisclosed income.
- Income has NOT been / would NOT be disclosed.
- Jurisdictional condition must exist.
- ITO v. Seth Brothers: search requires credible, factual basis — not mere suspicion.

POWERS UNDER SECTION 247:

- Enter & search any building, place, vessel or vehicle.
- Search any person who may be concealing assets.
- Break open lockers, doors, boxes or receptacles.
- Seize digital devices — laptops, mobiles, tablets.
- Access cloud storage, emails and WhatsApp ledgers.
- Record statement on OATH [S.247(4)].
- Override access codes to computer systems.

KEY CHANGES FROM OLD S.132

- ◆ NEW: Explicit digital search powers — cloud and virtual space expressly covered.
- ◆ NEW: Password/access code override explicitly authorised (was implied; now specific).
- ◆ NEW: Virtual Digital Assets (Crypto, NFTs) specifically named in the provision.
- ◆ GOVT CLARIFICATION: NOT new powers — existing powers now explicitly stated; NO AI powers conferred.

When is Search Possible? — S.132(1) vs S.247(1)

ITA 1961 Provision	ITA 2025 Section	Key Change / Note
Non-compliance to summon u/s 131(1) or notice u/s 142(1)	S.247(1)(a) — Non-compliance to produce books/docs	Same; explicitly covers electronic records
Possession of undisclosed money, bullion, jewellery or other valuable	S.247(1)(b) — Possession of undisclosed assets (broad)	'Asset' covers all valuable items including VDA
Search authorised by DGIT/DIT/CCIT/CIT/Addl.Dir/Jt.Dir	S.247: Authorised by 'competent authority'	Simplified designation; same senior-level authority
S.132(1A): Extension to unlisted premises by Pr.CCIT/CIT	S.247(3): Same extension power	Same safeguard retained
— (New provision)	S.247(1)(b)(iii)	Can OVERRIDE access codes where assessee refuses access or code unavailable

Authorising Officers & Ground Rules

AUTHORISING OFFICERS [S.132(1)]

- Principal Director General / Director General of IT
- Principal Director / Director of IT
- Principal Chief Commissioner / Chief Commissioner of IT
- Additional Director / Additional Commissioner (w.r.e.f 01.06.1994)
- Joint Director / Joint Commissioner (w.r.e.f 01.10.1998)

ITA 2025 S.247: Uses 'competent authority' — simplified designation vs listing specific officer ranks.

GROUND RULES FOR SEARCH

- Search warrant must be passed by competent authority before execution.
- Search party: at least ACIT rank + two respectable witnesses + technical persons (valuer).
- Examination on oath; statement admissible; lawyer NOT allowed at this stage.
- Search party will NOT make statements to press.
- Income Tax officers have NO power to arrest.
- After search, party must submit report to Commissioner for oversight.
- Female occupant may withdraw before search party enters; lady officer searches women.

Income Tax Department — Rights & Duties During Search

RIGHTS — What the Department May Do:

- Enter and search buildings, places, vehicles or aircraft [S.132(1)(i) = S.247(1)(i)].
- Break open locks; override access codes [S.247(1)(iii)].
- Seize books, documents, money, bullion, jewellery, digital devices [S.247(1)(vii)].
- Examine any person on oath during search [S.247(6)].
- Issue restraint order (up to 60 days) [S.247(4)(b)].
- Issue provisional attachment within 60 days of last authorisation [S.247(8)].
- Reference to Valuation Officer or approved private valuer [S.247(9)].

DUTIES — What the Department Must Do:

- Allow school-going children to attend school.
- Allow assessee to take meals and medicines at normal time.
- Not threaten, abuse or use indecent language.
- Ensure two respectable independent witnesses are present.
- Allow medical practitioner in emergency.
- Provide panchanama copy with all annexures to assessee.
- Provide copy of any statement used against assessee.

ASSESSEE RIGHTS

- ◆ See warrant duly signed and sealed • Verify identity of all search party members • Insist on lady officer for female search.
- ◆ Inspect seals on receptacles • Receive panchanama + annexures • Call medical practitioner in emergency.

Key Case Laws — Search & Seizure

ITO v. Seth Brothers — (1969) 74 ITR 836 (SC)

Search cannot be based on suspicion. Statutory conditions must exist. Officer must have ‘reason to believe’ based on factual, credible information.

Pooran Mal v. Director of Inspection — (1974) 93 ITR 505 SC

Even if search contravenes S.132, seized material is usable. Illegality in search does not automatically exclude evidence.

CIT v. Smt. Umlesh Goel — [2016] 74 taxmann.com 37

Search u/s 132(1) must be ‘person specific’; names of assessees must appear in warrant.

Jose Cyriac v. CIT — (2012) 336 ITR 241 (Kerala)

Single warrant of authorization may be issued u/s 132 for a group of concerns.

Vishwaprasad Alva v. Union of India — W.P.(C) No.114/2026 (SC)

Refused to entertain petition challenging constitutionality of ITA 2025 search powers. High Court is proper remedy.

Deemed Seizure, Restraint Order & Examination on Oath

S.132(3)/132(4)/132(9B) → S.247(4)(b)/247(6)/247(8)

ITA 1961 Provision	ITA 2025 Section	Key Change / Note
Second proviso S.132(1) — Deemed seizure (physically immovable)	S.247(4)(a)(i)-(ii) — Deemed seizure; bank lockers added	NEW: Bank lockers & accounts covered
S.132(3) — Restraint order (impracticable to seize)	S.247(4)(b) — Restraint order; 60 days	NEW: Bank lockers and bank accounts added
S.132(4) — Examination on oath during search	S.247(6) — Examination on oath	NEW: ANY person present; persons with computer access
S.132(4A) — Presumptions: ownership, contents, handwriting	S.247(7) — Same 3 presumptions + 2 new presumptions	NEW: Electronic comms & computer system presumptions
S.132(9B) — Provisional attachment (60 days)	S.247(8) — Provisional attachment (same 60-day window)	Rules now under S.413 instead of Second Schedule
S.132(9D) — Valuation Officer (60-day report)	S.247(9) — Valuation Officer OR approved private valuer	NEW: Also permits reference to approved private valuers

KEY NOTES

◆ S.474 ITA 2025 = S.275A ITA 1961: Penalty for violating deemed seizure / restraint order. • S.247(7)(e): NEW presumption — electronic communications presumed between actual stated parties.

Presence of Counsel During Search/Survey

Rights & limitations

- Counsel IS entitled to advise and discuss the matter with client [K.T. Advani vs State (1986)].
- Counsel CANNOT obstruct the conduct of proceedings in any manner.
- Counsel CANNOT interfere in the recording of the statement or suggest any answer during examination on oath.
- No prohibition on CA/AR being covered along with client during search.
- CA/AR should keep all client files/documents separately and never retain documents of undisclosed nature.
- CA/AR should store client computer data in separate identifiable computers/folders.
- CA/AR may request authorized officer to allow contact with authorizing authority — to explore whether survey suffices.

PART 06

06

Constitutional Foundations & ‘Reason to Believe’

Privacy, self-incrimination, the authorisation standard and limits of judicial review

Validity of Search Powers — Landmark Cases

M.P. Sharma v. Satish Chandra — AIR 1954 SC 300

Eight-judge bench. Search and seizure does not violate Article 20(3). No fundamental right to privacy then (privacy holding later overruled by Puttaswamy).

Pooran Mal v. Director of Inspection — (1974) 93 ITR 505 (SC)

Five-judge bench. S.132 and Rule 112 constitutionally valid. Illegally seized evidence remains admissible — relevancy test applies.

Bhupendra Ratilal Thakkar v. CIT — (1976) 102 ITR 531 (SC)

S.132 is neither incompetent nor invalid for infringing Articles 14, 19, 21 or 31.

Selvi v. State of Karnataka — (2010) 7 SCC 263

Article 20(3) applies at all stages including investigation. Compelled narco-analysis, polygraph and BEAP tests violate Articles 20(3) and 21.

REASON TO BELIEVE

‘Reason to Believe’ Doctrine — The Governing Standard

Case	Citation	Holding (one line)
Spacewood Furnishers v. DGIT (Inv.)	(2015) 12 SCC 179; 374 ITR 595 (SC)	Lays down governing principles for valid authorisation; satisfaction note justiciable; belief must rest on credible information, not suspicion.
Pr. CIT v. Anand Kumar Jain (HUF)	(2022) 446 ITR 18 (SC); 3 SCC 562	Sufficiency of reasons CANNOT be examined; only existence of belief justiciable; Wednesbury standard. RTB is a genuine reviewable threshold.
ITO v. Seth Brothers	(1969) 74 ITR 836 (SC)	Strict statutory compliance; bona fide irregularity does not vitiate; no appellate review of adequacy of grounds.
ITO v. Lakhmani Mewal Das	(1976) 103 ITR 437 (SC)	‘Reason to believe’ requires rational and relevant nexus; cannot be a mere pretence.
Dr. Pratap Singh v. Director of Enforcement	(1985) 155 ITR 166 (SC)	Reason to believe must be bona fide with rational bearing; secret/intelligence material need not appear in warrant.

THE LIMITED-REVIEW RULE

- Courts examine only whether RTB existed — not its adequacy. Search quashed only where grounds are non-existent, patently irrelevant, or mala fide.

PART 07

07

Presumptions in Search & Survey

S.132(4A) | S.292C (ITA 1961) | Sections 247(7) & 524 (ITA 2025)

S.132(4A)/292C → S.247(7)/524 — Comparison

ITA 1961 Provision	ITA 2025 Section	Key Change / Note
S.132(4A)(i)/S.292C(i) — Books/docs belong to person in possession	S.247(7)(a)/S.524(1)(a)	NEW: Virtual digital assets and electronic information added
S.132(4A)(ii)/S.292C(ii) — Contents of books presumed true	S.247(7)(b)/S.524(1)(b)	Electronic data contents now presumed true
S.132(4A)(iii)/S.292C(iii) — Signature/handwriting presumed	S.247(7)(c)/S.524(1)(c)	No change
S.292C(iii) — Document stamped/executed presumed duly done	S.524(1)(d)	No change
No equivalent provision	S.247(7)(e)/S.524(1)(e) — Electronic exchanges presumed between actual parties	NEW: Critical tool for digital fraud investigations
S.292C(2) — Requisitioned assets: same presumption	S.524(2)	No change in principle

ALL PRESUMPTIONS REMAIN REBUTTABLE

- S.524(1)(e) NEW presumption: Electronic communications purportedly exchanged between parties ARE so exchanged — key for digital fraud investigations. All presumptions can be rebutted by assessee with evidence.

Presumptions & Evidentiary Framework — Case Laws

P.R. Metrani v. CIT — (2007) 1 SCC 789; 287 ITR 209 (SC)

s.132(4A) presumption is rebuttable and confined to S.132 proceedings; does not extend automatically to regular assessment.

Surendra M. Khandhar v. ACIT — (2009) 224 CTR 409 (Bom.)

Assessee having failed to rebut presumption u/s 292C, addition u/s 69 on basis of seized documents was rightly upheld.

V.C. Shukla v. State (CBI) — (1998) 3 SCC 410 (Jain Hawala)

Loose sheets/scraps of paper are NOT a 'book' u/s 34 Evidence Act. Even admissible entries are only corroborative; cannot alone fix liability.

Common Cause v. Union of India — (2017) 394 ITR 220 (SC) — Birla-Sahara diaries

Loose papers, printouts, hard disks not maintained in regular course of business are unreliable and inadmissible to charge third parties.

Andaman Timber Industries v. CCE — (2015) 281 CTR 241 (SC)

Denial of the opportunity to cross-examine witnesses whose statements form the basis of an order renders the order a nullity — violation of natural justice.

An admission is important evidence but is NOT conclusive — the maker may show it is incorrect.

PART 08

08

Digital Search Powers & Digital Evidence Law

S.247 digital reach | Section 65B IEA → Section 63(4) BSA 2023

Digital Assets Covered Under Section 247

What can be searched, accessed and seized under ITA 2025

Emails Full access and seizure authorised

Cloud Storage Google Drive, Dropbox, OneDrive

Laptops / Desktops Search and physical seizure

Mobile Phones WhatsApp, Telegram, banking apps

Digital Ledgers Excel, Tally, accounting software

Crypto Records Wallet keys, exchange records, NFTs

Passwords Can override if assessee refuses access

Cloud Wallets Virtual digital asset custody records

GOVT CLARIFICATION + S.261 'VIRTUAL DIGITAL SPACE' DEFINITION

- Govt clarified: NOT new powers — only explicit statement of existing powers; NO AI powers conferred; S.247 restricted to authorised search/survey only.
- 'Virtual digital space' defined u/s 261 to include email, social media, cloud servers, online banking, digital wallets and crypto holdings.

DIGITAL EVIDENCE LAW

Electronic Record Admissibility — Section 65B IEA → Section 63(4) BSA 2023

Case / Law	Citation	Holding / Provision
Anvar P.V. v. P.K. Basheer	(2014) 10 SCC 473	Three-judge bench. Section 65B(4) certificate is MANDATORY for admissibility of electronic records as secondary evidence.
Arjun Panditrao Khotkar v. Kailash Gorantyal	(2020) 7 SCC 1	Confirmed Anvar. Certificate mandatory; court may compel production where party cannot procure it.
Section 63(4), BSA 2023 (effective 1 Jul 2024)	Replaces S.65B IEA	Certificate at EACH instance of production; device particulars; signed by person in charge. NEW: Hash value (SHA-1/SHA-256/MD5) mandatory.
Pune Bar Assn. v. Union of India	WP(C) No.599/2026 (SC, 22 May 2026)	Upheld validity of S.63(4) BSA and Schedule. Hash value is 'electronic fingerprint' ensuring integrity. Part B expert certificate open to any cyber-forensics expert.

WHAT BSA 2023 ADDS vs OLD S.65B

- Certificate now in TWO parts: Part A (party/person in charge) + Part B (expert with computer-science/cyber-forensics expertise).
- Hash value disclosure (SHA-1/SHA-256/MD5) is a NEW requirement absent from old S.65B — critical for tax search digital evidence.

PART 09

09

BNSS 2023 / CrPC 1973 Applicability

Section 132(13) (ITA 1961) | Section 247(10) (ITA 2025)

CrPC 1973 vs BNSS 2023 — Search & Seizure Cross-Reference

ITA 1961 S.132(13) → ITA 2025 S.247(10): BNSS 2023 replaces CrPC 1973

CrPC 1973 Section	BNSS 2023 Section	Subject Matter
S.37	S.37	Public when to assist Magistrate and Police
S.38	S.38	Aid to person executing warrant
S.93	S.94	When search warrant may be issued
S.100	S.101	Persons in charge of closed place to allow search
S.165	S.185	Search by Police Officer
S.166	—	When officer may require another to issue search warrant

KEY CHANGE & PRACTICAL IMPACT

- ITA 1961 S.132(13) → ITA 2025 S.247(10): BNSS 2023 (Bharatiya Nagarik Suraksha Sanhita) replaces CrPC 1973 for ALL search/seizure procedures.
- BNSS 2023 effective July 2024. Applicability is ‘so far as may be’ — corresponding provisions apply mutatis mutandis. Practitioners must update their references.

PART 10

10

Post-Search Proceedings & CBDT Instructions

Practical tips for handling search and key regulatory circulars

Practical Tips for Handling Post-Search Proceedings

- Systematically arrange and analyse ALL seized documents: assessee-wise, AY-wise and premises-wise.
- Segregate financially relevant documents from financially irrelevant ones.
- For financially relevant documents: ascertain if explainable vis-à-vis books of accounts.
- Check if explanation is available for all records with the Income Tax Department.
- Offer Peak Credits as undisclosed income, if any.
- Return of income u/s 158BC to be filed judiciously after considering all records and material.
- Where undisclosed income is offered in return u/s 153BC/BD, claim expenditure incurred to earn that income.
- File returns under protest if required notices are not properly issued.
- Challenge validity of proceedings at the time of Assessment itself.
- Maintain detailed index of all seized/impounded documents for reference.

Important CBDT Instructions on Search & Seizure

Instruction No. 11 of 2006 (01/12/2006) Release of cash deposit in PD Account

Instruction No. 7 (30/07/2003) Matters related to Search & Seizure

Instruction No. 286/247/98-IT(Inv.II) (02/02/1999) Release of assets in regular books of accounts

Instruction No. 1916 (11/05/1994) + Press Release (01/12/2016) Guidelines for seizure of jewellery; clarifications re Gold

Instruction No. 1497 (13/01/1983) Opening of Lockers

Circular F.No.7/16/69-IT(Inv.) (04/06/1970) Dealing with Promissory notes found during search

CBDT Circular No. 286/2/03-IT(Inv) (10/03/2003) No confessional statement to be elicited — continues under ITA 2025

CBDT Letter F.No.286/98/2013-IT(INV.II) (18/12/2014) Focus on evidence; no admission under coercion

All CBDT Instructions/Circulars issued under ITA 1961 continue to apply under ITA 2025 to the extent not inconsistent.

PART 11

11

Master Case Law Digest

35 verified judgments — citation, court, year and one-line holding

Search Validity, RTB & Constitutional Cases (1–10)

Foundational cases on S.132/S.247 validity and the authorisation standard

#	Case & Citation	Holding (one line)
1	ITO v. Seth Bros. — (1969) 74 ITR 836 (SC)	Strict statutory compliance; bona fide irregularity does not vitiate; courts do not review adequacy of grounds.
2	Pooran Mal v. Dir. of Inspection — (1974) 93 ITR 505 (SC)	S.132 constitutionally valid; illegally seized evidence still admissible — relevancy test.
3	Bhupendra Ratilal Thakkar v. CIT — (1976) 102 ITR 531 (SC)	S.132 not violative of Arts 14/19/21/31.
4	Spacewood Furnishers v. DGIT — (2015) 374 ITR 595 (SC)	Governing principles for valid authorisation; satisfaction note justiciable; credible information required, not mere suspicion.
5	Pr. CIT v. Anand Kumar Jain — (2022) 446 ITR 18 (SC)	Only existence (not sufficiency) of RTB justiciable; Wednesbury standard.
6	Dr. Pratap Singh v. Dir. of Enforcement — (1985) 155 ITR 166 (SC)	RTB must be bona fide with rational bearing; secret material need not appear in warrant.
7	ITO v. Lakhmani Mewal Das — (1976) 103 ITR 437 (SC)	RTB requires rational and relevant nexus; cannot be a mere pretence.
8	M.P. Sharma v. Satish Chandra — AIR 1954 SC 300	Search/seizure not violative of Art.20(3); privacy holding later overruled by Puttaswamy.
9	Selvi v. State of Karnataka — (2010) 7 SCC 263	Art.20(3) at all stages; compelled narco/polygraph tests unconstitutional.
10	K.S. Puttaswamy v. Union of India — (2017) 10 SCC 1	Privacy is a fundamental right; three-part proportionality test for State intrusion.

CASE LAW DIGEST

Block Assessment & Satisfaction Note (11–20)

S.153A/153C case law and the incriminating material requirement

#	Case & Citation	Holding (one line)
11	CIT v. Kabul Chawla — (2016) 380 ITR 573 (Delhi)	No addition in completed/unabated assessments u/s 153A absent incriminating material.
12	PCIT v. Abhisar Buildwell P. Ltd. — (2023) 454 ITR 212 (SC)	Affirms Kabul Chawla; no 153A/153C addition without incriminating material; Revenue may reopen u/s 147/148.
13	CIT v. Calcutta Knitwears — (2014) 362 ITR 673 (SC)	Satisfaction note is sine qua non before initiating 158BD/153C.
14	Singhad Technical Education Society v. ACIT — (2017) 397 ITR 344 (SC)	Seized material must correlate with the AY in issue; 153C document must 'belong to' the other person.
15	CIT v. Super Malls Pvt. Ltd. — (2020) 423 ITR 281 (SC)	Where AO of searched and other person is same, a single satisfaction note suffices.
16	RRJ Securities v. CIT — (2015) 370 ITR 695 (Delhi)	Inordinate delay in recording satisfaction is fatal to the 153C proceeding.
17	P.R. Metrani v. CIT — (2007) 1 SCC 789; 287 ITR 209 (SC)	S.132(4A) presumption rebuttable; confined to S.132 proceedings.
18	J.M. Jain & Sons v. State (Delhi HC) — W.P.(C) 16754/2025	Presumptions u/s 132(4A)/292C rebuttable; confined to IT proceedings; court warned against AI-generated fake judgments.
19	GMS Technologies v. Dy.CIT — 93 TTJ 218 (ITAT-Del.)	In block assessment, material from survey u/s 133A used only if it relates to material seized during search.
20	DCIT v. Sam India Abhimanyu Housing — ITA No.1257/Del/2015	Penalty u/s 271AAA attracted only for search u/s 132; NOT for survey u/s 133A.

CASE LAW DIGEST

Evidence, Statements & Digital Evidence (21–35)

‘Dumb documents’, retraction, cross-examination, electronic records

#	Case & Citation	Holding (one line)
21	V.C. Shukla v. State (CBI) — (1998) 3 SCC 410	Loose sheets not a ‘book’ u/s 34 Evidence Act; entries need independent corroboration.
22	Common Cause v. UOI — (2017) 394 ITR 220 (SC)	Loose papers/electronic dumps inadmissible to charge third parties.
23	Andaman Timber Industries v. CCE — (2015) 281 CTR 241 (SC)	Denial of cross-examination renders the order a nullity — violation of natural justice.
24	Kishinchand Chellaram v. CIT — (1980) 125 ITR 713 (SC)	Department must give assessee opportunity to cross-examine evidence used adversely.
25	Pullangode Rubber & Produce v. State of Kerala — (1973) 91 ITR 18 (SC)	Admission is important but not conclusive — the maker may show it is incorrect.
26	Kailashben Manharlal Chokshi v. CIT — (2010) 328 ITR 411 (Guj)	Addition based on retracted statement unsustainable absent corroboration; midnight statement suspect.
27	CIT v. Dhingra Metal Works — (2016) 290 CTR (Del) 263	A S.132(4) statement alone is insufficient for a 153A addition.
28	Surjeet Singh Chhabra line — (2012) 25 taxmann.com 413 (SC)	Survey (S.133A) statement not on oath; no independent evidentiary value (ITA 1961 position).
29	B. Ramakrishnaiah v. ITO — 39 SOT 379 (Hyd.)	Addition based on admission during survey without supportive material is not sustainable.
30	Anvar P.V. v. P.K. Basheer — (2014) 10 SCC 473	S.65B(4) certificate mandatory for admissibility of electronic records.
31	Arjun Panditrao Khotkar v. Kailash Gorantyal — (2020) 7 SCC 1	Confirmed Anvar; certificate mandatory; court may compel production.
32	Surendra M. Khandhar v. ACIT — 224 CTR (Bom.) 409	Failure to rebut S.292C presumption; addition u/s 69 rightly upheld.
33	Pune Bar Assn. v. Union of India — WP(C) No.599/2026 (SC)	Upheld S.63(4) BSA; hash value is electronic fingerprint; Part B expert not confined to S.79A examiners.
34	Jose Cyriac v. CIT — (2012) 336 ITR 241 (Kerala)	Single warrant of authorization may be issued u/s 132 for a group of concerns.
35	Vishwaprasad Alva v. UOI — W.P.(C) No.114/2026 (SC)	Constitutional validity of ITA 2025 S.247 upheld; High Court is proper remedy for challenging searches.

PART 12

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Conclusion & Key Takeaways

What changed, what stayed, what matters — and what to verify

5 Golden Rules + Conclusion

1. **Reason to Believe ≠ Suspicion** ITO v. Seth Brothers: credible factual basis required; courts review existence not adequacy of RTB.
2. **Seized material usable despite illegal search** Pooran Mal: taxpayer must challenge through proper forum; material remains admissible.
3. **Survey statements NOW ON OATH (ITA 2025)** S.253(5)(b): full evidentiary weight; CBDT directive against coercion still applies.
4. **Satisfaction note mandatory for S.295 / S.153C** CIT v. Calcutta Knitwears: sine qua non; addition without incriminating material unsustainable.
5. **Addition must link to seized incriminating material** Abhisar Buildwell (2023): no 153A/153C addition for completed years absent material.

ITA 2025 is a consolidation & modernisation. S.247 & S.253 explicitly address digital realities already covered by judicial interpretation. No NEW powers — existing powers now stated in statute.

CAVEATS & VERIFICATION

Verification Caveats — Do NOT Rely On These

AI-hallucinated or unverifiable claims circulating online

- ✕ A ‘9 March 2026 Supreme Court PIL dismissal’ on digital-search question (Mondaq) — appears AI-generated; not verified.
- ✕ A ‘Section 153A(1A) voluntary-disclosure 30-day scheme’ — not verifiable.
- ✕ A ‘Finance Act 2025 mandatory video-recording of searches’ (taxworry.com) — not verifiable.
- ✕ AI-generated/fake judgments: Delhi HC (J.M. Jain, Nov 2025) and Bombay HC (KMG Wires, 2025) have themselves warned against citing such material.

ITA 2025 — Key Takeaways for Practitioners

S.247 (Search) | S.248 (Requisition) | S.253 (Survey) | S.524 (Presumption)

- ❖ Survey statements NOW on OATH [S.253(5)(b)]
- ❖ Prior approval mandatory for ALL survey actions [S.253(10)]
- ❖ Digital assets & computer systems explicitly covered
- ❖ BNSS 2023 replaces CrPC 1973
- ❖ New electronic presumptions [S.524(1)(e)]

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Thank You!

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