Piramal Glass Pvt. Ltd. v. Deputy Commissioner of Income Tax, Circle 8(2)(1), Mumbai & Ors.

WP(L) 21711/2024

No neutral citation stated in supplied order | 2024-07-26

JAO-initiated reassessment quashed for failure to follow the section 151A scheme.

Income-tax Act,1961: sections 148, 148A(b), 148A(d), 151A

High Court of Bombay | 2-judge bench (Division Bench) | G. S. Kulkarni | Somasekhar Sundaresan

Assessment years: 2017-18

01 FACTS OF THE CASE

Piramal Glass challenged the section 148 notice of 7 May 2024 for AY 2017-18. The underlying section 148A(b) notices dated 31 March 2023 and 30 April 2024, and section 148A(d) order dated 7 May 2024, were issued by the jurisdictional rather than faceless Assessing Officer.

Source: PDF pp.1–2, paragraphs 2–3

02 DISCUSSION BY THE HON'BLE COURT

Applying Hexaware Technologies, (2024) 464 ITR 430, the Court treated the section 151A scheme as binding subordinate legislation governing initiation under sections 148A and 148. Both sides agreed that the proceedings were unsustainable; Revenue also cited Nainraj Enterprises.

Source: PDF pp.4–5, paragraphs 6–7

03 JUDICIAL DECISION

Because the JAO lacked jurisdiction to issue the impugned notice, the petition was allowed and the impugned notice and order were quashed and set aside.

Source: PDF p.5, paragraph 8

04 OUTCOME / IN WHOSE FAVOUR

Rule was made absolute and the petition disposed of without costs. Other questions raised in the petition were expressly left unanswered because the section 151A defect disposed of the matter.

Source: PDF p.6, paragraphs 9–10

05 EXPERT COMMENTS

AKHB Expert Comments — editorial analysis, distinct from the Court's findings.

The defect precedes the tax merits: The decisive finding concerned the authority and procedure used to begin reassessment, not whether Piramal Glass had escaped taxable income. The Court's express reservation of other questions prevents this relief from being treated as approval of the return or a ruling on any particular addition. (PDF pp.5–6, paragraphs 8–9)

Allocation must be established, not assumed: The quoted Hexaware reasoning rejects concurrent JAO/FAO jurisdiction and treats automated allocation as mandatory. For this case, the material connection was the recorded issuance by the JAO; ordinary territorial jurisdiction did not answer the objection under the scheme. (PDF pp.2–4, paragraph 4 quoting Hexaware paragraphs 35–37)

A procedural breach can itself cause prejudice: The adopted reasoning does not require a separate showing of financial harm where action is contrary to the prescribed statutory procedure. That explains why the notice and order could be set aside without deciding the other challenges; it does not resolve the permissibility of any future proceeding. (PDF pp.4–6, quoted paragraph 37 and paragraphs 8–9)

Source: PDF pp.5–6, paragraphs 8–9

SOURCE & VERIFICATION

Original High Court judgment PDF — AKHB source repository

Complete 6-page original reviewed; source bytes verified.

Full original and all five panels re-reviewed on 21 October 2026.

Open cited source rendition

Complete original source and all five note panels checked; original docket identities preserved.

STATUTORY SCOPE

Current law and subsequent treatment not independently verified.

LATER TREATMENT

Source checked 2026-10-21. Subsequent proceedings and current judicial treatment have not been independently verified.

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

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