Commissioner of Income Tax (International Taxation) & Anr. v. Ibiden Singapore Pte Ltd., India Branch

ITA 441/2023 connected with ITA 437/2023

2024:KHC:3337-DB | 2024-01-23

Reassessment without section 143(2) notice: Revenue appeals dismissed following C. Ramaiah Reddy.

143(2) | 260A

Karnataka High Court | Division Bench at Bengaluru | P.S. Dinesh Kumar | T.G. Shivashankare Gowda

Assessment years: 2016-17, 2017-18

01 FACTS OF THE CASE

Revenue challenged the common Tribunal order dated 6 December 2022 in IT(IT)A 782 and 783/Bang/2022. The appeal prayers map ITA 441/2023 to AY 2016-17 and ITA 437/2023 to AY 2017-18. The admitted questions challenged annulment of reassessments without section 143(2) notices, arguing that the notices were not mandatory and that the assessee had contested the merits without an earlier objection.

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02 DISCUSSION BY THE HON'BLE COURT

Ibiden relied on CIT v. C. Ramaiah Reddy, ITA 192/2012, decided 24 June 2020, as covering the issue in its favour. Revenue did not dispute that submission. The Court resolved these appeals on that accepted coverage without reproducing the earlier judgment's detailed reasoning.

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03 JUDICIAL DECISION

Both appeals were dismissed. The substantial questions were answered in favour of the assessee and against Revenue, with no costs.

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04 OUTCOME / IN WHOSE FAVOUR

The Tribunal's annulment of the challenged reassessments survived. Revenue's arguments based on non-mandatory notice and participation in the merits did not overturn that result; no substantive income determination was made here.

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05 EXPERT COMMENTS

AKHB EXPERT COMMENTS — editorial analysis, distinct from the Court's findings.

Participation did not save these reassessments — The second admitted question expressly relied on the assessee having contested the merits and not objected earlier. That argument was answered against Revenue along with the question whether notice was mandatory. The practical significance is that this appeal failed despite the participation argument; the judgment does not provide a wider analysis of every type of notice defect or service dispute.

Distinguish an absent notice from an adverse merits decision — The issue is reassessment validity when section 143(2) notice was not issued. Nothing in this short disposition evaluates taxable receipts, expenses or the correctness of additions. Its favourable result should therefore be described as preservation of the notice-based annulment, not a substantive exemption or a finding that the returned income was correct.

The docket mapping controls the years covered by this note — The reproduced questions list three years, but the two appeal prayers and Tribunal numbers identify only AY2016-17 and AY2017-18 in these appeals. That mismatch should remain explicit. It does not justify inventing a third docket or erasing either of the two connected appeals, each of which receives the common dismissal.

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SOURCE & VERIFICATION

Karnataka High Court original judgment - verified repository copy

Complete 5-page supplied source; all pages read.

All 5 original pages read and visually inspected; all five panels audited.

Open cited source rendition

All 5 PDF pages reviewed; actual SHA-256: 88dbac77520c4f948f46afd63cff67eb7b042e845d407488b015ee1ddd024d1. Original record ID retained; no merger inferred from shared source or connected appeals.

STATUTORY SCOPE

Appeal prayers identify AY2016-17 for ITA441/2023 and AY2017-18 for ITA437/2023. The reproduced questions additionally mention AY2018-19, but this judgment identifies no third High Court appeal; that year is not silently added as a separate disposition.

LATER TREATMENT

Source checked 2026-10-21. Subsequent treatment has 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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