

M/s. Sanjay Kumar Bijay Kumar v. Principal Commissioner of Income Tax-I, Bhubaneswar and Others

W.P.(C) No. 28067 of 2025

2026:OHC:7309-DB | W.P.(C) No. 28067 of 2025 (Ori HC, decided 24.02.2026) | 2026-02-24

Second reopening under section 148A(3)/148 for AY 2019-20 quashed where the partnership firm inadvertently held two PANs and the ITO had already completed reassessment under section 147 on the Inactive PAN accepting that the Rs. 4,42,47,290 Canara Bank transactions were accounted for and taxed under the Active PAN.

Income-tax Act, 1961: sections 139A, 144, 144B, 147, 148, 148A(1) and 148A(3) | Constitution of India: Articles 226 and 265

High Court of Orissa | 2-judge bench (Division Bench) | Harish Tandon, C.J. | Murahari Sri Raman, J.

Assessment years: 2019-20

Distinguishes PAN-1 (ABAFS4271L) and PAN-2 (AATFS3658P) across two reassessment cycles

Practitioners citing this judgment should note that the first reassessment order dated 29.03.2023 on PAN-1 had already verified and accepted the accounting of the Rs. 4,42,47,290 Canara Bank transactions under PAN-2.

01 FACTS OF THE CASE

The petitioner partnership firm (carrying on edible oil and foodgrain wholesale business at Malgodown, Cuttack since 1995) was inadvertently allotted two PANs: PAN-1 (ABAFS4271L), which remained linked to its Canara Bank account, and PAN-2 (AATFS3658P), under which it regularly filed its income-tax returns from AY 2003-04 onwards (reporting total income of Rs. 2,00,820 for AY 2019-20). Earlier, on the basis of cash deposits and transactions of Rs. 4,42,47,290 in Canara Bank under PAN-1, the ITO Ward-1(1), Cuttack reopened AY 2019-20 on PAN-1 and, after verifying the firm's books and returns filed under PAN-2, passed a reassessment order dated 29.03.2023 under section 147/144 accepting that all Canara Bank transactions were already accounted for in PAN-2 and determining income under PAN-1 at 'Nil'. Notwithstanding that concluded assessment, the AO again issued a notice dated 29.03.2025 under section 148A(1) on PAN-1 for the very same Rs. 4,42,47,290 Canara Bank transactions and passed an order dated 24.06.2025 under section 148A(3) followed by a section 148 notice dated 30.06.2025.

Source: [Pages 2-12 of 31 \(Paragraphs 2.1-3.4\) \(20260224_ODHCo10623822025.pdf\)](#)

02 DISCUSSION BY THE HON'BLE COURT

In a 31-page judgment, Justice Murahari Sri Raman held that once the Assessing Officer had already examined the identical banking transactions of Rs. 4,42,47,290 in the earlier reassessment order dated 29.03.2023 and recorded a categorical finding that those transactions were duly reflected in the audited books and return filed under PAN-2 (AATFS3658P), initiating a second reassessment on the same set of facts for the same assessment year was wholly without jurisdiction, barred by the rule against double taxation under Article 265 of the Constitution, and constituted an impermissible review / change of opinion. Relying on *State of Punjab v. Davinder Pal Singh Bhullar*, (2011) 14 SCC 770 (sublato fundamento cadit opus), the Court held that because the foundational section 148A(3) order was void, all consequential notices under sections 148 and 144B collapsed automatically.

Source: [Pages 15-30 of 31 \(Paragraphs 6.1-10.3\) \(20260224_ODHC010623822025.pdf\)](#)

03 JUDICIAL DECISION

The High Court quashed the order dated 24.06.2025 passed under section 148A(3) (Annexure-9), the notice dated 30.06.2025 issued under section 148 (Annexure-10), and the intimation dated 25.07.2025 issued under section 144B (Annexure-11) for AY 2019-20.

Source: [Pages 30-31 of 31 \(Paragraphs 11-12\) \(20260224_ODHC010623822025.pdf\)](#)

04 OUTCOME / IN WHOSE FAVOUR

In favour of the assessee (M/s. Sanjay Kumar Bijay Kumar); section 148A(3) order dated 24.06.2025 and section 148 notice dated 30.06.2025 quashed.

Source: [Pages 30-31 of 31 \(Paragraphs 11-12\) \(20260224_ODHC010623822025.pdf\)](#)

05 AKHB REVIEW POINT

AKHB analysis: Where a dual-PAN discrepancy has already been reconciled in a prior section 147 assessment order confirming that bank transactions under the unoperated PAN were duly disclosed and assessed under the active PAN, the Department cannot re-trigger section 148A on the unoperated PAN for the same bank entries.

Source: [Full judgment PDF \(31 pp.\)](#)

SOURCE & VERIFICATION

[Original judgment PDF \(20260224_ODHC010623822025.pdf\)](#)

Reviewed from the complete 31-page official High Court judgment PDF (20260224_ODHC010623822025.pdf, SHA-256: 193ca051153db5cfb17ec4c58d4ae273eadbe418cba78d3c06b80of4ce38f2d1).

Supplied source-reviewed note retained; original bytes and identity validation checked in this release. Substantive re-review is not claimed for this record.

Open cited source rendition

Primary source verified page-by-page (31 physical pages, 448,017 bytes, SHA-256: 193ca051153db5cfb17ec4c58d4ae273eadbe418cba78d3c06b80of4ce38f2d1). Cloud Google Drive File ID: 10U7NzIRfA-LA3KulhXffQAWln73yKSB_ (https://drive.google.com/file/d/10U7NzIRfA-LA3KulhXffQAWln73yKSB_/view).

STATUTORY SCOPE

Refers to the Income-tax Act, 1961 and allied statutory rules/circulars as applicable to the relevant assessment years.

LATER TREATMENT

Source checked 2026-10-18. No subsequent Supreme Court reversal or stay is recorded in the source judgment text.

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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