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

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

W.P.(C) No.28067 of 2025 (Orissa High Court, 24.02.2026) | 2026-02-24

Repeated reassessment of bank transactions already verified under another PAN: finality and change of opinion bar the second proceeding on the same admitted facts.

Income-tax Act, 1961: sections 144, 144B, 147, 148 and 148A | Constitution: Articles 226 and 227

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

Assessment years: 2019-20

Internal inconsistencies in the original

The judgment uses both 29 and 30 March 2023 for the earlier assessment. Its quoted order at pp.14–16 refers to AY 2018-19, while its findings concern AY 2019-20. PAN variants and section 148(3)/148A(3) also occur. This note follows the express holding without reconciling those discrepancies.

01 FACTS OF THE CASE

The partnership dealt in cattle feed and building material since 1985-86. It filed returns using PAN-2 (AATFS3658P), but Canara Bank transactions retained PAN-1 (ABAFS4271L). The Court records that the ITO had verified the same Rs.4,42,47,290 transactions in the earlier reassessment and accepted their disclosure under PAN-2, assessing NIL under PAN-1. The DCIT nevertheless issued a section 148A(1) notice on 18.03.2025, an order on 24.06.2025, a section 148 notice on 30.06.2025 and a faceless-assessment intimation on 25.07.2025 for AY 2019-20. The quoted 2023 response states returned income of Rs.51,12,820 for that year.

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02 DISCUSSION BY THE HON'BLE COURT

The Court rejected the alternative-remedy objection because the jurisdictional challenge rested on undisputed facts. Revenue conceded that the same deposits had already been examined. The earlier assessment was not shown to have been challenged or overturned; a different officer could not mechanically revisit that factual conclusion. Finality and the prohibition on change of opinion supported relief. The Court cited principles concerning repeated proceedings, while distinguishing the cited pending-reassessment cases from this completed assessment. Article 265 and double taxation were counsel's submissions, not a separately decided constitutional ground.

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03 JUDICIAL DECISION

The Court quashed the 24.06.2025 order (Annexure-2), 30.06.2025 section 148 notice (Annexure-13) and 25.07.2025 section 144B intimation (Annexure-14). Other grounds were not decided; any question of law arising on the facts was left open.

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04 OUTCOME / IN WHOSE FAVOUR

Writ petition allowed; the challenged second reassessment proceeding was set aside. Pending applications disposed of; no order as to costs.

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05 EXPERT COMMENTS

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

Prove the identity of the transaction — The decisive protection arose from prior verification, not simply possession of two PANs. Match the bank entries, return, books and earlier findings with the new allegation. Revenue's concession that these were the same deposits made the attempted second examination particularly vulnerable.

Finality is tied to what was already decided — The decision concerns unchanged grounds and an unreversed assessment. It does not immunise unrelated transactions or genuinely distinct material. Paragraph 6.8 itself quotes the caution against mechanically applying res judicata in taxation. Nor should the cited pending-proceeding authorities obscure the Court's express distinction: this earlier assessment had concluded.

Use the jurisdictional record, and preserve the limits — The undisputed duplication justified writ intervention despite statutory remedies; a contested factual reconciliation may require a different course. Relief removed the specified 2025 actions, not every possible PAN-compliance issue. Obtain the underlying assessment and computation before relying on dates or years: the original contains the inconsistencies identified above, although its operative relief is explicit.

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SOURCE & VERIFICATION

Original judgment PDF (20260224_ODHC010623822025.pdf)

Reviewed from the complete 31-page official High Court judgment PDF (20260224_ODHC010623822025.pdf, SHA-256: 193ca051153db5cfb17ec4c58d4ae273eadbe418cba78d3c06b800f4ce38f2d1).

All 31 original pages read and visually inspected; all five panels audited.

Open cited source rendition

Full 31-page original reviewed. No neutral citation is printed in this copy.

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 2026-10-21. 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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