IN THE HIGH COURT AT CALCUTTA
Constitutional Writ Jurisdiction
Appellate Side

Ct.551 **20.01.2026**
Item No.22 Sws.M

WPA 22044 of 2025

Bankura District Central Co-operative Bank Limited
Vs
Union of India & Ors.

Mr. Avra Mazumder
Ms. Alisha Das
Ms. Rupomita Ghosh
...for the petitioner

Mr. Prithu Dudhoria
Mr. Madhu Jana
...for the Income Tax Department

1. Supplementary Affidavit filed in Court today is taken on record.
2. This writ petition is directed against an order dated June 25, 2025 passed under Section 148(A)(3) of the Income Tax Act, 1961 as well as the consequential notice dated June 25, 2025 issued under Section 148 of the Said Act of 1961 thereby initiating proceedings for reassessment of the petitioner's income for the assessment year 2019-20.
3. The case of the petitioner is that it is a Co-operative Society carrying on banking business was initially operating under Permanent Account No. (PAN) - AAGFB4500N. Subsequently, the petitioner applied for and was issued a new PAN being AABAB6253G. After obtaining the new PAN, the petitioner has been conducting its transactions

under the new PAN itself. It is the petitioner's case that the petitioner has informed its respective bankers about the fact that the petitioner has obtained a new PAN but while all the other banks had updated the petitioner's new PAN in the Bank's database pertaining to the petitioner, only IDBI Bank updated the same belatedly. A supplementary affidavit has been filed in Court bringing on record a letter dated March 17, 2025 to prop the contention that IDBI updated the new PAN of the petitioner in respect of petitioner's accounts with the said Bank belatedly.

4. It is the petitioner's further case that earlier too, proceedings for reassessment of the petitioner's income for the assessment year 2020-2021 had been initiated against the petitioner by referring to the old PAN, i.e., AAGFB4500N. The petitioner participated in the said proceedings and brought it to the knowledge of the Assessing Officer that the PAN of the petitioner had been changed and that for the purpose of filing its returns, the petitioner had been using the new PAN, i.e., AABAB6253G.

5. It is the petitioner's case that although the notice to show-cause that had been issued to the petitioner (in a bid to reopen the petitioner's case for assessment of the petitioner's income) for

assessment year 2020-21 indicated a sum of Rs.1,25,06,44,974/- insofar as the transaction related to purchase of term deposits through IDBI Bank is concerned and Rs.27,13,80,000/- insofar as cash deposits or cash withdrawals through IDBI Bank is concerned, yet, in the assessment order, no addition on the said two grounds were made. It is, therefore, the petitioner's contention that the petitioner's version that all the transactions of the petitioner including those that were reflected under the old PAN were accounted for in the income tax return filed under the new PAN, was accepted by the Assessing Officer.

6. Subsequently, another notice dated March 31, 2025 under Section 148A(1) of the said Act of 1961 was issued to the petitioner asking the petitioner to show-cause as to why the petitioner's income for the assessment year 2019-20 shall not be reassessed. The petitioner replied thereto on April 15, 2025 and indicated to the Assessing Officer that the petitioner was ready to provide any further detail that may be required by the Assessing Officer. Thereafter, on May 8, 2025 the petitioner furnished answers to queries raised by the respondents/revenue authorities and once again stressed that the petitioner would provide further details, if required.

7. Ultimately, on June 25, 2025, the Assessing Officer passed the order impugned under Section 148 A (3) of the said Act of 1961 thereby observing that the petitioner had not filed its return for the assessment year 2019-20 and that the petitioner had not produced the balance-sheet and the profit and loss account for the purpose of reconciliation of the petitioner's claim. A notice under Section 148 of the said Act of 1961 was also issued on the same date. Hence this writ petition.

8. Mr. Mazumder, learned advocate appearing for the petitioner submits that the Assessing Officer has passed the order impugned and has issued reopening notice without properly applying his mind to the material on record. It is submitted that the petitioner's case for the assessment year 2020-21 had even earlier been decided by the same incumbent in the seat of the Assessing Officer still the Assessing Officer has ignored the fact that on the previous occasion the petitioner's contention that the petitioner was filing its income tax returns in the newly obtained PAN had been accepted and no addition on such count had been made.

9. It is further submitted that despite the petitioner's repeated indication in all its replies that the petitioner was ready and willing to furnish such

further detail as would be required, the Assessing Officer proceeded to hold against the petitioner and issue reopening notice by observing that the balance-sheet and the profit and loss accounts have not been produced, without affording an opportunity to the petitioner to produce the same.

10. Mr. Mazumder submits that if the said documents had been called for, the petitioner would have willingly produced the same and the matter could have been resolved.

11. Mr. Dudhoria, learned advocate appearing for the respondents/revenue authorities submits that the order impugned has been rightly passed inasmuch as the petitioner has not produced the relevant documents. It is further submitted that since two PANs are active, it was incumbent on the petitioner to take steps to deactivate one of the two PANs and since the petitioner has not done so the order impugned is valid.

12. Mr. Mazumder, learned advocate appearing for the petitioner, submits, in reply, that even if two PANs are active, then also for such act the petitioner could at best be subjected to penalty in terms of Section 139A(7) and Section 272B of the said Act of 1961 and that the same could not be cited as a reason for initiating a reassessment proceeding.

13. Heard learned advocates appearing for the respective parties and considered the material on record.

14. Although it is not in dispute that the same Assessing Officer under Ward No. 31, Bankura had dealt with the petitioner's case as recent as on March 31, 2025 while passing the assessment order in respect of assessment year 2020-21, yet, since it is noticed that the petitioner has not mentioned the aspect that the petitioner has been filing its return under the new PAN and not under the old PAN in its reply to the notice to show-cause issued under Section 148A (1) of the said Act of 1961, therefore, the Assessing Officer may not be faulted for not considering such aspect. It could well have been so that if the petitioner had indicated the same, the Assessing Officer could have considered the petitioner's case in the light of the information provided by the petitioner to the Assessing Officer.

15. However, since the petitioner had indicated to the Assessing Officer that the petitioner was ready and willing to provide any further detail, it was not right on the part of the Assessing Officer to pass the order under Section 148A (3) of the said Act of 1961 and issue notice under Section 148 on the ground that the petitioner did not produce

balance-sheet and profit and loss accounts to reconcile its claim without giving the petitioner one more opportunity to produce such balance-sheet and profit and loss accounts. Since it appears that the Assessing Officer has not given proper opportunity to the petitioner despite the petitioner's willingness, therefore for ends of justice the petitioner should be granted one more opportunity to produce all relevant documents before the Assessing Officer including the balance-sheet and the profit and loss accounts. In such view of the matter, the order impugned dated June 25, 2025 as well as the consequential notice for the assessment year 2019-20 under Section 148 dated June 25, 2025 are set aside.

16. The petitioner shall furnish all requisite documents including the balance-sheet and the profit and loss accounts to the Assessing Officer within two weeks from date. The Assessing Officer shall consider the petitioner's reply as well as the documents furnished by the petitioner in terms of this order and shall pass a fresh order, in accordance with law. It is clarified that this Court has not gone into the merits of the case and all points are left open, to be decided by the Assessing Officer, strictly in accordance with law.

17. With the above observations, WPA 22044 of 2025 stands disposed of. No costs.

18. Urgent photostat certified copy of this order, if applied for, be supplied to the parties on urgent basis after completion of necessary formalities.

(Om Narayan Rai , J.)