2026:AHC:209833

HIGH COURT OF JUDICATURE AT ALLAHABAD

WRIT TAX No. - 2381 of 2026

Smt Sangita Tawari

.....Petitioner(s)

Versus

Union Of India And 3 Others

.....Respondent(s)

Counsel for Petitioner(s)	:	Akash Tripathi, Devesh Pandey, Jai Prakash Pandey
Counsel for Respondent(s)	:	Pooja Talwar, A.S.G.I., Anant Kumar Tiwari, Ankur Agarwal

Court No. - 53

HON'BLE VIKAS BUDHWAR, J.

1. Rejoinder affidavit, filed today, is taken on record.

2. Heard Sri J.P. Pandey, learned counsel for the writ petitioner, Shri Anant Kumar Tiwari, counsel for the respondent no. 1 and Ms. Pooja Talwar, counsel for respondent nos. 2 to 4.

3. Since affidavits have been exchanged between the parties and the rival parties do not propose to file any further affidavit.

4. With the consent of the parties, the writ petition is being decided at the admission stage.

5. The case of the writ petitioner is that it happens to be an individual possessing a permanent account number card (PAN card)/AEBPT4722P. The writ petitioner claims to have been filing income tax returns regularly. As per the writ petitioner for the assessment year 2018-19, the petitioner filed a income tax return on 12.03.2018 disclosing her income to be Rs. 3 lakhs which was acknowledged vide acknowledgement no. 762064060120718. A notice came to be issued with regard to cash withdrawal on 28.09.2019 under section 143(2), r/w 143(3A) and 143(3B) of the Income Tax Act by the Assessing Officer, National e-Assessment Centre, (NeAc) show causing the petitioner to submit reply within 15 days. Another notice came to be issued on 12.12.2019 under section 142(1) of the I T Act. A show cause notice dated 14.05.2021 under section 144 of the I T Act, 1961 was issued on e-filing portal in this regard wherein it was alleged that the assessee in account no. 2534002100359972 had withdrawn cash

amount of Rs. 28,98,57,413/- against the deposit of Rs. 2 lakhs and another account no. 400700NG00042598 against the deposited cash of Rs. 1 lakh and sales of futures amounting to Rs. 45,24,060/- in National Stock Exchange. An ex-parte assessment order came to be passed on 24.05.2021 under section 144 read with 144B of the I.T. Act assessing the income to be of Rs. 30,90,04,527/-. Thereafter penalty proceedings were also initiated and notices were issued under section 271AAC(1) dated 24.05.2021, 08.06.2021, 26.07.2021, 17.08.2021. A show cause notice was also issued on 13.05.2021 and 08.06.2021 under section 272A(1)(d) imposing penalty of 10,000. The writ petitioner claims to have submitted his objection / reply on 15.09.2021 and thereafter without considering the same on 01.02.2022, 02.02.2022 demand notice of Rs. 1,74,09444/- under section 156 of the I.T. Act / Section 271AAC(1) came to be passed. Further notice came to be issued on 24.01.2023 under section 221 (1) of the Act. A notice dated 03.03.2023 under section 226(3) came to be issued to the Manager of the Union Bank of India, R.G. College, Meerut to attach and freeze the bank account of the assessee including FDR / saving / current accounts including Account No. 505502070006685. The writ petitioner took recourse to Right to Information Act and thereafter the information was furnished that the PAN card of the writ petitioner stood attached with the firm being AL Yaseen Trading Company (P) Ltd. The writ petitioner thereafter on 29.03.2023 filed an application for revocation of the order of freezing of the account and the contention so raised by the writ petitioner was found to be correct and the notice dated 29.03.2023 under section 226 (3) of the I.T. Act was withdrawn confirming that the Bank Account No. 2534002100359972 and Account No. 400700NG00042598 were in the name of the company and not of the writ petitioner.

6. Post passing of the order dated 29.03.2023, petitioner filed a reply on 10.04.2023 on e-filing portal stating his grievance. A response was also submitted, however, nothing happened and the writ petitioner was harbouring under the impression that the proceedings have been closed. However, now demand notice under section 144 dated 24.05.2021 amounting to Rs. 309004530, demand notice under section 272A(1)(d) dated 13.01.2022 amounting to 10,000. Demand notice dated under section 271AAC(1) dated 01.02.2022 amounting to Rs. 174909444 came to be issued to which the writ petitioner submitted a reply and when nothing was done, he preferred revision on 09.12.2025 under section 264 of the I.T. Act

in which a notice was issued and thereafter on 20.03.2026, the revision came to be rejected by Principal Commissioner of Income Tax (PCIT) Ghaziabad, District Ghaziabad on the ground of limitation.

7. Questioning the assessment order and the revisional order, the present petition has been filed.

8. This Court on 04.05.2026 proceeded to pass the following orders:

> *"1. To the extent, the petitioner has suffered proceedings of revision and further to the extent, the order dated 20.03.2026 passed by the revising authority is also under challenge, put up before the bench presided by learned single judge.*
> *2. The writ petitions raising challenging to appellate orders passed by the first appellate authority or by the revising authority are not to be placed before division benches.*
> *3. Put up as fresh on 08.05.2026, before appropriate bench, showing the name of Ms. Pooja Talwar, as counsel for the respondent nos. 2 and 3."*

9. A counter affidavit has been filed by Ms. Pooja Talwar on behalf of the respondent nos. 2 to 4 to which a rejoinder affidavit has been filed.

10. Learned counsel for the writ petitioner has sought to argue that the assessment orders / penalty orders as well as the revisional order cannot be sustained, particularly, when it is itself the stand of the respondents that the PAN card of the petitioner had been attached with the company and the writ petitioner has no role to play and he had not evaded any tax. He thus submits that in view of the clear recitals contained in the counter affidavit, the writ petition is to be allowed in toto while quashing the entire proceedings.

11. Ms. Ishita Yadav holding brief of Ms. Pooja Talwar who appears for the respondent nos. 2 to 4 and Shri Tiwari who appears for the respondent no. 1 submits that due to certain misconception and error, the PAN card of the writ petitioner stood attached with the company for which the petitioner has no role to play and once an order came to be passed holding the same then there is no question of tax liability or assessment.

12. I have heard the submissions so made across the bar and perused the record carefully.

13. Plainly and simply, the allegation of the writ petitioner is that her PAN card stood attached with the account in the name of AL Yaseen Trading

Company (P) Ltd. and the writ petitioner has no role to play. In paragraph no. 14 and 19 of the counter affidavit sworn by the respondent no. 2 to 4 dated 08.09.2026 reads as under:

> *"14. That on observation of narration found mentioned in the certificate issued by the bank it is crystal clear that the bank has admitted the fact that the PAN of the assessee has been attached by the banking authorities with an account which does not pertain to the assessee i.e. Smt. SangitaTawari. Moreover, the concern bank authorities abstain them self to comply with the notices issued u/s 133(6) and they had not submitted the documents called from them by this office. The non-cooperative attitude of the bank branch PNB JagritiVihar, Meerut has created hindrance on completion of the inquiry to bring out the factual truth in the case of assessee.*
>
> *19. That in view of facts and circumstances of case and material on records, it appears that above stated bank accounts are related to business transaction of company Al Yaseen Trading Co.Pvt. Ltd and is not related or associated with assessee Ms. Sangita Tiwari. Further, PAN AEBPT4722P of Sangita Tiwari had been wrongly linked by bank with above bank accounts. Since large cash transactions had taken placed in above bank accounts, PNB reported these transactions of cash withdrawals under PAN AEBPT4722P of SangitaTawari. Consequently, case was selected for scrutiny during course of assessment on reason of large cash withdrawals and since assessee was non compliant, addition on account of large cash withdrawals arising out of corresponding large cash/credit transactions had been made by National E-assessment Centre."*

14. A bare look of the paragraph no. 14 and 19 of the counter affidavit would reveal that the income tax department has come up with a stand that the PAN card of the writ petitioner stood inadvertently attached with the PAN card of the company and the writ petitioner has no role to play. Once the position being so and the stand taken by the writ petitioner stands endorsed by the respondents then the net inevitable position which emerges is that the writ petitioner is not liable for any tax or penalty in that regard. In view of the same the entire proceedings which stood culminated into an order dated 28.03.2026 rejecting the revision under Section 264 of the Income Tax Act cannot be sustained.

15. Accordingly, the writ petition stands **allowed**.

16. The Assessment Order dated 24.05.2021 alongwith order dated 01.02.2022/02.02.2022, under Section 271AAC(1) of Income Tax Act and Section 272A(1)(d), Rs. 10,000 and Demand dated 01.12.2025 passed by Respondent No. 3, Revisional Order dated 20.03.2026 passed by Respondent No. 2 are set aside.

17. The passing of the order today, would not be construed to have any effect upon the other aspects of the matter.

October 7, 2026
Ashu

(Vikas Budhwar,J.)

Digitally signed by :-
ASHUTOSH KUMAR PRAJAPATI
High Court of Judicature at Allahabad