HC-KAR

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 26TH DAY OF MARCH, 2026

BEFORE

THE HON'BLE MR. JUSTICE S SUNIL DUTT YADAV

WRIT PETITION NO. 9540 OF 2026 (T-IT)

BETWEEN:

1. TALUK AGRICULTURAL PRODUCE MARKETING
CO-OPERATIVE SOCIETY LTD
(TALUK AGRICULTURE PRODUCE
CO-OPERATIVE MARKETING SOCIETY)
(A SOCIETY REGISTERED UNDER KCS ACT, 1959),
ARSIKERE, ARSIKERE TALUK,
HASSAN DISTRICT - 573 103.
REPRESENTED BY ITS C.E.O
SRI. CHANNABASAPPA MOHAN KUMAR,
AGE: 52 YEARS.

... PETITIONER

(BY SRI. MAHESH R UPPIN., ADVOCATE)

AND:

1. INCOME TAX OFFICER
WARD 1 AND TPS, AAYAKAR BHAVAN,
2ND STAGE, BELUR ROAD,
HASSAN - 573 201.

2. ASSESSING OFFICER,
NATIONAL FACELESS ASSESSMENT CENTRE,
DELHI - 110 001

... RESPONDENTS

(BY SRI. THIRUMALESH M., ADVOCATE)

THIS W.P. IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA, PRAYING TO i) QUASH THE RE-OPENING NOTICE DT. 28/03/2025 BEARING DIN ITBA/AST/S/148_1/2024-

25/1075180269(1) DT. 28/03/2025 ISSUED BY 1ST RESPONDENT MARKED AS ANNEXURE - B BY ISSUING A WRIT IN THE NATURE OF CERTIORARI AND ETC.

THIS PETITION COMING ON FOR PRELIMINARY HEARING, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE S SUNIL DUTT YADAV

ORAL ORDER

Sri. Thirumalesh M, learned counsel accepts notice for respondents.

2. Petitioner has challenged the assessment order at Annexure-C. It is submitted that the order passed is an ex-parte order as the petitioner did not make out any reply to the notice issued in light of lapse on the part of the auditor.

3. Perused the assessment order. It is noticed that the assessee has not filed returns of income in response to the notice under Section 148 of the Income Tax Act, 1961 (for short 'the Act'). The Authority taking note of the cash deposits and in the absence of any explanation, treated the deposits as 'unexplained income' under Section 69-A

of the Act and proceeded to complete adjudication and raised the demand.

4. The proceedings admittedly do not have the benefit of any response by the petitioner. The petitioner submits that the deposits are genuine and would be exempt under Section 80-P of the Act.

5. In light of the assertion of the petitioner, it would be appropriate to set aside the assessment order at Annexure-C.

6. Accordingly, the assessment order at Annexure-C is set aside. The matter is remitted to the stage of reply to the notice under Section 148 of the Act. All contentions are kept open.

7. In light of the above, the petition is ***disposed of***.

SD/-
(S SUNIL DUTT YADAV)
JUDGE

VP