



IN THE HIGH COURT OF KARNATAKA, AT DHARWAD
DATED THIS THE 27TH DAY OF MARCH, 2026
BEFORE
THE HON'BLE MS. JUSTICE JYOTI M
WRIT PETITION NO. 103752 OF 2022 (T-IT)

BETWEEN:

SRI. SAI TRADERS,
PAN: ABBFS6891B,
DISSOLVED PARTNERSHIP FIRM,
UNDER THE PARTNERSHIP ACT, 1932,
R/BY ITS ERSTWHILE PARTNER,
SRI. RAMESH BABU RACHAMDUGU
S/O. GIRIYAPPA VENKATASWAMY RACHAMDUGU,
AGED ABOUT 54 YEARS,
OFFICE AT APMC YARD,
RANEBENNUR, HAVERI-581115.

...PETITIONER

(BY SRI. S.ANNAMALAI AND
SRI. SHASHANK.S.HEGDE, ADVOCATES)

AND:

1. NATIONAL FACELESS ASSESSMENT CENTRE,
R/BY ADDITIONAL/JOINT/DEPUTY/
ASSISTANT COMMISSIONER OF INCOME-TAX/
INCOME TAX OFFICER,
INCOME TAX DEPARTMENT,
MINISTRY OF FINANCE,
ROOM NO.401, 2ND FLOOR, E-RAMP,
JAWAHARLAL NEHRU STADIUM,
DELHI-110003.
2. THE INCOME-TAX OFFICER,
WARD-1, HAVERI,
SHREE TOWERS,
HADADI MAIN ROAD,
OPPOSITE DRR HOSPITAL,



DAVANAGERE-577002,
KARNATAKA.

...RESPONDENTS

(BY SRI.M.THIRUMALESH AND
SMT. ROOPA ANAVEKAR, ADVOCATES)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA, SEEKING CERTAIN RELIEFS.

THIS WRIT PETITION IS LISTED FOR PRELIMINARY HEARING IN 'B' GROUP, THIS DAY, AN ORDER IS MADE AS UNDER:

ORAL ORDER

Sri.S.Annamalai and Sri.Shashank Hegde., counsel for the petitioner and Sri.M.Thirumalesh & Smt.Roopa Anavekar., counsel for the respondents have appeared in person.

2. The Writ Petition is filed seeking the following prayers:

- "i) Issue a writ of Certiorari quashing the assessment order passed under section 147 r.w.s 144 r.w.s 144B of the Act dated 25/03/2022 bearing DIN No: ITBA/AST/S/147/2021-22/1041585014(1) for the Assessment Year 2017-18 by the Respondent No. 1 herein marked as Annexure-A1.*
- ii) Issue a writ of Certiorari quashing the computation sheet dated 25/03/2022 bearing DIN and Document No: ITBA/AST/S/215 /2021-22/1041585059(1) for the Assessment Year 2017-18 issued by the Respondent No. 1 herein marked as Annexure-A2.*
- iii) Issue a writ of Certiorari quashing the Notice of demand issued under section 156 of the Act dated*



25/03/2022 bearing DIN and Notice No: ITBA/AST/S/156/2021-22/1041585203(1) for the Assessment Year 2017-18 by the Respondent No.1 herein marked as Annexure-A3.

- iv) Issue a writ of Certiorari quashing the show cause notice for penalty issued under Section 271AAC(1) of the Act dated 27/07/2022 bearing DIN No: ITBA/PNL/F/271AAC(1)/2022-23/1044132949(1) for the Assessment Year 2017-18 by the Respondent No.1 herein marked as Annexure-A4.*
- v) Issue a writ of Certiorari quashing the notice issued under Section 148 of the Act dated 30/03/2021 bearing DIN and Notice No: ITBA/AST/S/148/2020-21/1031909840(1) for the Assessment Year 2017-18 by the Respondent No.2 herein marked as Annexure-B.*
- vi) And pass such other orders as this Hon'ble Court deems fit and proper in the interest of justice and equity.*

3. Counsel for the respective parties have advanced their contentions. The arguments have been heard and the records perused with due care.

4. The facts, in brief, disclose that a notice dated 30.03.2021 was issued to the petitioner under Section 148 of the Income Tax Act, 1961. The petitioner submits that he was unable to access the online portal and, therefore, could not submit a reply to the said notice. Subsequently, a notice dated



27.09.2021 under Section 142(1) of the Act was issued, to which the petitioner submitted a detailed reply on 11.10.2021.

The grievance of the petitioner is that the said reply has not been taken into consideration by the respondent Department, which proceeded to pass the impugned assessment order and consequential proceedings.

Upon perusal of the material on record, it is evident that the petitioner had indeed submitted a reply to the notice dated 27.09.2021. However, the assessment order proceeds on the erroneous premise that no reply was filed by the assessee. The said finding is factually incorrect. The reply submitted by the petitioner is placed on record as Annexure-E. In view of the above, this Court is of the considered opinion that the assessment order has been passed without due consideration of a material reply submitted by the petitioner. Non-consideration of such a reply vitiates the impugned proceedings and renders the assessment order unsustainable in law.

5. Accordingly, the assessment order dated 25.03.2022 passed by Respondent No.1 (Annexure-A1) is hereby quashed.



Consequently, the computation sheet dated 25.03.2022 (Annexure-A2), the notice of demand dated 25.03.2022 (Annexure-A3), and the show cause notice dated 27.07.2022 (Annexure-A4) also stand quashed. The matter is remitted to the stage of submission of a reply to the notice dated 30.03.2021 issued under Section 148 of the Act.

Lastly, counsel for the petitioner further submits that, for the Assessment Year 2018-19, after the dissolution of the partnership firm, the respondent Department has passed an order holding that it is not a fit case for issuance of notice under Section 148 of the Act. It is therefore requested that while reconsidering the present matter, the respondent Department be directed to take into consideration the order passed under Section 148A(d) of the Act for the said assessment year.

The said submission is taken on record. The respondent-Department shall consider the reply to be filed by the petitioner and shall also take into account the order passed under Section 148A(d) of the Act for the Assessment Year 2018-19, and thereafter proceed in accordance with law.



**NC: 2026:KHC-D:4839
WP No. 103752 of 2022**

6. With the above observations, the writ petition stands ***allowed***. The matter is remanded for fresh consideration in accordance with the law.

7. Ordered accordingly.

**Sd/-
(JYOTI M)
JUDGE**

RH
List No.: 1 Sl No.: 52