IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 18TH DAY OF FEBRUARY, 2026

BEFORE

THE HON'BLE MR. JUSTICE S SUNIL DUTT YADAV

WRIT PETITION NO. 5019 OF 2026 (T-IT)

BETWEEN:

SANJAY HARICHAND CHUGH
S/O SRI. HARICHAND B.,
AGE ABOUT 56 YEARS,
NO.3 AND 4, WEST PARK ROAD,
KUMARA PARK EAST,
BENGALURU - 560001.

PRESENTLY RESIDING AT:
NO.705, A3 BLOCK,
PURVA ATRIA APARTMENTS,
NO.56/3, RMV 2ND STAGE,
ASHWATH NAGAR,
BENGALURU - 560094.

...PETITIONER

(BY SRI. S. SHANKAR, SENIOR ADVOCATE FOR
SRI. VENKATESH G., ADVOCATE)

AND:

1. ASSESSMENT UNIT,
REP. BY ADDITIONAL/JOINT/DEPUTY/
ASSISTANT COMMISSIONER OF INCOME TAX/
INCOME TAX OFFILCER,
NATIONAL FACELESS ASSESSMENT CENTRE,
INCOME TAX DEPARTMENT,
MINISTRY OF FINANCE,

ROOM NO.401, 2ND FLOOR, E-RAMP,
JAWAHARALAL NEHRU STADIUM,
DELHI - 110003.

2. THE DEPUTY COMMISSIONER OF INCOME TAX,
CIRCLE 5(1) (1),
BMTC BUILDING,
NEAR NATIONAL GAMES VILLAGE,
KORAMANGALA,
BANGALORE - 560095.

...RESPONDENTS

(BY SRI. THIRUMALESH, ADVOCATE)

THIS WP IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH THE ASSESSMENT ORDER UNDER SECTION 143(3) R.W.S 144B OF THE INCOME TAX ACT, 1961 (FOR SHORT 'THE ACT') DATED 02.03.2024 BEARING DIN NO.ITBA/AST/S/143(3)/2023-24/1061898649(1), FOR THE ASSESSMENT YEAR AY 2022-23, PASSED BY THE RESPONDENT NO.1, HEREIN MARKED AS ANNEXURE-A1 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

Learned counsel Sri. Thirumalesh, accepts notice for the respondents.

2. The petitioner has called in question the validity of the assessment order under Section 143(3) read with Section 144B of the Income Tax Act, 1961 (for short 'the Act') passed for the assessment year 2022-23 at Annexure-A1 and has also sought for setting aside of the computation sheet at Annexure-A2, demand notice at A3, penalty order at Annexure-B1, computation sheet at Annexure-B2, demand notice at Anneure-B3, penalty order at Annexure-C1, computation sheet at Annexure-C2, demand notice at Annexure-C3, and the order of rejection under Section 154 of the Act at Annexure-D.

3. Apart from raising various other contentions, it is pointed out that the matter requires to be remitted for reconsideration, as the show-cause notice dated 12.02.2024 was directed to be replied by response by

18.02.2024. It is submitted that such time limit of less than 7 days amounts to violation of principles of natural justice and is also in violation of the SOP applicable for faceless assessment. Reliance is placed on the order passed in W.P.No.12923/2023.

4. Learned counsel Sri. Thirumalesh, appearing for the revenue submits that while the petitioner has sought to assail the last of the show-cause notices, however, even in the earlier proceedings, petitioner has not demonstrated due diligence.

5. Heard both sides.

6. At the outset, it must be noticed that as rightly pointed out by learned Senior Counsel appearing for the petitioner, notice at Annexure-F is dated 12.02.2024 and the time made out for response is 6 days. This Court in W.P.No.12923/2023 has made certain observations in an identical factual matrix and the observations at paragraph Nos.2 to 5 reads as follows:

"2. Learned counsel for the petitioner submits that the assessment order is liable to be set aside on the sole ground of violation of principles of natural justice as the show cause notice at Annexure-J was issued on 10.05.2023 seeking for reply before 15.05.2023, which time for response is contrary to the SOP applicable for faceless assessment, copy of which is produced at Annexure-T.

3. Attention is drawn to Clause N.1.3 which observes that the time for response to a show cause notice ought to be 7 days from the issue of show cause notice. He submitted that in the assessment order it was observed that there was no reply to the show cause notice and the Assessing Officer has proceed without any reply from the petitioner. It is submitted that in the light of the inadequate time that is available to make out a response which time limit is contrary to the SOP relating to time to be given for response to the show cause notice, it is submitted that the assessment order may be set aside and fresh opportunity may be accorded to the petitioner to make out reply to the show cause notice.

4. Perused the show cause notice at Annexure-J.

> *5. It is clear that the notice has been issued on 10.05.2023 by 18.14 hours. The response was directed to be made by 15.05.2023. The time that is stipulated for response is in clear violation of the applicable SOP at Clause N.1.3 which requires that at least 7 days time to be given for the purpose of making out a response."*

7. In light of violation of the applicable SOP at Clause N.1.3, the proceeding is required to be reopened. Though learned counsel for the revenue submits that the petitioner has not been diligent in participating in the previous proceedings, however, the question to be looked into is the show-cause notice at Annexure-F which is in issue. Irrespective of the previous proceedings, if the illegality is found in the time limit prescribed at Annexure-F, the said show-cause notice is required to be set aside and matter be remitted with fresh opportunity to the petitioner.

8. Accordingly, the orders at Annexures-'A' series, 'B' series, 'C' series and 'D' are set aside and matter is

remitted to the stage of reply to show-cause notice before respondent No.2. Petitioner to be present without further notice on 16.03.2026.

Accordingly, petition is ***disposed of***.

Sd/-
(S SUNIL DUTT YADAV)
JUDGE

MCR