



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 11TH DAY OF FEBRUARY, 2026

BEFORE

THE HON'BLE MR. JUSTICE S SUNIL DUTT YADAV

WRIT PETITION NO. 2963 OF 2026 (T-IT)

BETWEEN:

KUNAL CHAUBEY
S/O DADAN CHAUBEY,
AGED ABOUT 45 YEARS,
RESIDING AT NO K-802,
AJMERA INFINITY, NEELADRI ROAD,
NEAR WIPRO GATE- 16,
ELECTRONIC CITY PHASE- 1,
DODDATHOGURU,
BENGALURU- 560100.

...PETITIONER

(BY SRI. ADITYA BHAT., ADVOCATE)

AND:

1. PRINCIPAL COMMISSIONER
OF INCOME TAX.,
KARNATAKA AND GOA,
BENGALURU CR BUILDING,
NO. 1, QUEENS ROAD,
BENGALURU- 560 001.
2. ASSESMENT UNIT
REPRESENTED BY INCOME TAX OFFICER,
NATIONAL FACELESS ASSESSMENT CENTRE,
INCOME TAX DEPARTMENT, 2ND FLOOR,
JAWAHARLAL NEHRU STADIUM,

Digitally signed
by
SHARADAVANI
B
Location: High
Court of
Karnataka



NEW DELHI - 110 003.

3. ASSISTANT COMMISSIONER
OF INCOME TAX DEPARTMENT CIRCLE 3(3)(1),
BENGALURU HMT BHAWAN, NO.59,
BELLARY ROAD, GANGANAGAR,
BENGALURU- 590 032.

...RESPONDENTS

(BY SRI. M.THIRUMALESH., ADVOCATE)

THIS WP IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO ISSUE A WRIT OF CERTIORARI QUASHING SHOW CAUSE NOTICE DATED 03.01.2024 BEARING DIN AND NOTICE NO. ITBA/AST/F/148A(SCN)/2023-24/1059338294(1) ISSUED BY RESPONDENT NO.3 UNDER SECTION 148A(B), PRODUCED AT ANNEXURE-A., AND ETC.

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

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

ORAL ORDER

Sri. M. Thirumalesh, learned counsel is directed to accept notice for the respondents.

2. The petitioner has sought for setting aside of the Assessment Order at Annexure-'D' dated 30.01.2025. It is the case of the petitioner that due to undue hardship relating to financial loss during Covid-19 Pandemic, the petitioner was



forced to repay the debts by making payments through Credit Cards and such payments have been deemed to be unexplained expenditure and the proceedings have been initiated.

3. It is submitted that due to *bona-fide* lapse arising out of the reasons which are genuine, the petitioner was unable to make out a reply to the Show Cause Notice issued under Section 148A(b) of the Income Tax Act, 1961 ['the Act' for brevity], which has culminated in an order under Section 148A(d) of the Act and subsequently, the notice under Section 148 of the Act was issued. It is further submitted that the entirety of proceedings would not have culminated in an order, if the petitioner had made out a reply to the notice issued under Section 148A(b) itself.

4. It is submitted that there are discrepancies in the variation proposed. It is further submitted that the notice under Section 148A(b) of the Act, which details information, would *prima facie* reveal that the subject matter of proceedings was relating to payments made from Credit Cards. Accordingly, it is submitted that, if the matter is remitted to the stage of



proceedings under Section 148A(b) of the Act, the petitioner would be in a position to explain.

5. Learned counsel Sri M. Thirumalesh for the respondents submits that the assessee has made out a petition to the Commissioner seeking condonation of delay for filing of the returns as regards to which no order is passed.

6. Heard both sides.

7. It is the case of the petitioner that he has substantive material to make out a reply to the notice under Section 148A(b) of the Act and having perused the notice issued under Section 148A(b) and the Annexures, the explanation of the petitioner that is made herein, if permitted to be made before the respondent Authority, would be appropriate for the Authority to consider the same.

8. Notwithstanding that the petitioner has sought for condonation of delay in filing of the returns, but accepting the contentions of the petitioner that he needs to be given an opportunity to make out a reply to the notice under Section



148A(b) of the Act, it would be appropriate to remit the matter for reconsideration.

9. In the light of the contentions raised, it would meet the ends of justice by setting aside the order at Annexure-'B' dated 21.02.2024 and remitting the matter to the stage of reply to the notice under Section 148A(b) of the Act. The consequential proceedings at Annexures-D, E, F, G, H, J, K, L, M, N and P are also set aside. Consequent to the order passed, the respondent-Authority to rescind the debit-freeze instructions made to the bank of the petitioner.

10. The petitioner to appear before the jurisdictional Assessing Officer on **02.03.2026** without awaiting fresh notice and make out a reply to the notice under Section 148A(b) of the Act.

11. The petitioner to pay costs of Rs.10,000/- (rupees ten thousand only) to the Karnataka Advocates Clerks Benevolent Trust, High Court Building, Bengaluru.



12. The respondent-Authorities to take appropriate steps to rescind the instructions at Annexure-R, upon receipt of certified copy of this order.

In view of the above, the petition stands ***disposed of.***
All contentions are kept open.

Sd/-
(S SUNIL DUTT YADAV)
JUDGE

HR