BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 09.04.2025

CORAM:

THE HONOURABLE MR.JUSTICE VIVEK KUMAR SINGH

W.P.(MD)No.10176 of 2025
and
W.M.P.(MD)Nos.7577, 7578 and 7579 of 2025

Sri Saikrishna Marketing Private Limited,
Represented by its Managing Director,
P.Vanaraj,
Old No.170, LIG Colony,
Lake View Road, K.K. Nagar,
Madurai - 625 020. ... Petitioner

-vs-

The Assessment Unit,
Income Tax Department,
National E-Assessment Centre, Delhi,
E-Ramp, Jawaharlal Nehru Stadium,
Delhi - 110 003. ... Respondent

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, to issue a Writ of Certiorarified Mandamus, calling for the records on the file of the respondent and quash the same impugned order u/s 143 (3) r.w.s. 144 B of the Income Tax Act, 1961 in ITBA/AST/S/143(3)/2024-25/1074981620(1) dated 25.03.2025 passed by the respondent for the AY 2023-24 as illegal, arbitrary and against the settled principles of law and in violation of principles of natural justice and direct the respondent to grant an opportunity to the petitioner and pass a fresh assessment order in accordance with law.

For Petitioner	:	Mr.S.Madhavan
For Respondent	:	Mr.N.Dilip Kumar Senior Standing Counsel

ORDER

This Writ Petition has been filed seeking to quash the impugned order passed by the respondent dated 25.03.2025 for the A.Y. 2023-2024 and a consequential direction to the respondent to grant an opportunity to the petitioner and pass a fresh assessment order in accordance with law.

2. The learned counsel for the petitioner submits that the petitioner filed their return of income for the assessment year 2023-2024 on 24.10.2023, admitting an income of Rs.19,73,310/-. The return was selected for scrutiny under the CASS and intimation notice under Section 143(2) of the Income Tax Act, 1961 was issued on 19.06.2024. Subsequently, notices under Section 142(1) of the Income Tax Act, 1961 were issued on 18.11.2024 and 12.03.2025, respectively, requesting the petitioner to submit accounts and documents, which the petitioner duly complied with on 03.12.2024 and 15.03.2025.

3. The learned counsel for the petitioner further submits that on 20.03.2025, the respondent issued a show cause notice under Section 144 of the Income Tax Act, 1961 proposing a variation in the income assessment. The petitioner submitted a detailed objections to the proposed variation on 24.03.2025. Despite these objections, the respondent, in the impugned order dated 25.03.2025, erroneously stated that "till now there is no reply received," which is in total disregard to the petitioner's objections, filed on 24.03.2025. It is further submitted that the respondent has failed to properly consider the petitioner's timely objections and submissions and has made an incorrect statement in the impugned order regarding the non-receipt of the petitioner's reply, which is evident in Paragraph 4.3 of the impugned order. Therefore, the learned counsel for the petitioner prays that this Court may intervene and set aside the impugned order, directing the respondent to consider the submissions made by the petitioner, in accordance with law.

4. The learned Senior Standing Counsel appearing for the respondent submits that the petitioner failed to submit a timely response to the show cause notice and as reflected in the impugned order, no reply was received by the respondent prior to the passing of the order. The learned Senior Standing Counsel for the respondent contends that the petitioner was given sufficient time and opportunity to submit objections, but the petitioner failed to do so within the prescribed time frame. Therefore, the learned Senior Standing Counsel submits that no prejudice has been caused to the petitioner and the principles of natural justice were not violated, as the petitioner did not adhere to the stipulated timelines for submissions.

5. Heard both sides.

6. Upon careful consideration of the submissions made by both parties, this Court finds that the petitioner's objections, submitted on 24.03.2025, were not considered by the respondent, as reflected in the impugned order. This constitutes a violation of the principles of natural justice, as the petitioner's right to be heard was infringed. Therefore, the impugned order dated 25.03.2025 is set aside. The matter is remanded back to the respondent for fresh consideration. The respondent is directed to consider the objections and submissions made by the petitioner on 24.03.2025 and pass appropriate orders on merits and in accordance with law, within a period of three months from the date of receipt of a copy of this order.

7. Accordingly, this Writ Petition is allowed. There shall be no order as to costs. Consequently, connected Miscellaneous Petitions are closed.

09.04.2025

NCC : Yes / No
Index : Yes / No
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Note:- Issue order copy on 09.04.2025.

To:-

The Assessment Unit,
Income Tax Department,
National E-Assessment Centre, Delhi,
E-Ramp, Jawaharlal Nehru Stadium,
Delhi - 110 003.

VIVEK KUMAR SINGH, J.

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W.P.(MD)No.10176 of 2025

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