IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD
(Special Original Jurisdiction)

WEDNESDAY,THE TWENTY SIXTH DAY OF NOVEMBER
TWO THOUSAND AND TWENTY FIVE

PRESENT

THE HONOURABLE THE CHIEF JUSTICE APARESH KUMAR SINGH

THE HONOURABLE SRI JUSTICE G.M. MOHIUDDIN

WRIT PETITION NO: 35178 OF 2025

Between:

Spandana Rural and Urban Development Organisation, Rep by its Executive Secretary, Mrs Padmaja Gangireddy, Plot No 31 and 32, Ramky Selenium Towers Tower-A, Ground Floor, Financial District, Mannu S.O Gachibowli, Hyderabad, Telangana-500032.

...PETITIONER

AND

1. Assessment Unit, Income Tax Department, National e-Assessment Center, Room No.401, 2nd Floor, E-Ramp, Jawaharlal Nehru Stadium, New Delhi - 110 003.
2. Income-Tax Officer, Exemption Ward 1(4), Aayakar Bhavan, Opposite LB Stadium, Basheer Bagh Hyderabad- 500 004
3. Union of India, rep. by its Secretary, Ministry of Finance, Government of India, North Block, New Delhi-110 001.

...RESPONDENTS

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to issue a Writ of Certoria or any other appropriate writ, order or direction:

(a) Quashing the Assessment Order passed under Section 143(3) r.w.s 144B of the Act dated 20.03.2025 bearing DIN. ITBA/AST/S/143(3)/2024-25/1074788942(1) issued by the 1st Respondent for the AY 2023-24.

(b) Quashing the Computation sheet dated 20.03.2025 bearing DIN and Document No. ITBA/AST/S/723/2024- 25/1074789013(1) issued by the 1st Respondent for the AY 2023-24.

(c) Quashing the demand notice dated 20.03.2025 bearing DIN and Notice No. ITBA/AST/S/156/2024-25/1074788994(1) issued by the 1St Respondent for the AY 2023-24.

(d) Quashing the Show cause notice dated 19.02.2025 bearing DIN & Notice No. ITBA/AST/F/143(3)(SCN)/2024- 25/1073480343(1) issued by the 1st Respondent for the AY 2023-24.

(e) Quashing the notice issued under section 142(1) of the Act dated 10.07.2024 bearing DIN and Notice No ITBA/AST/F/142(1)/2024-25/1066588527(1) issued by the 1st Respondent for the AY 2023-24.

(f) Quashing the notice issued under section 274 r.w.s 270A of the Act dated 20.03.2025 bearing DIN : ITBA/PNL/S/270A/2024- 25/1074788966(1).

IA NO: 2 OF 2025

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to grant stay of all further proceedings, including any recovery and

a) Stay the operation of the Assessment Order passed under Section 143(3) r.w.s 144B of the Act dated 20.03.2025 of the Act bearing DIN and Notice No. ITBA/AST/S/143(3)/2024- 25/1074788942(1) issued by the 1st Respondent for the AY 2023-24.

b) Stay the operation of the computation sheet dated 20.03.2025 of the Act bearing DIN and Notice No. ITBA/AST/S/723/2024- 25/1074789013(1) issued by the 1St Respondent for the AY 2023-24.

c) Stay the operation of the demand notice dated 20.03.2025 of the Act bearing DIN and Notice No. ITBA/AST/S/156/2024- 25/1074788994(1) issued by the 1st Respondent for the AY 2023-24.

d) Stay the operation of the Notice issued under section 274 r.w.s 270A of the Act dated 20.03.2025 bearing DIN. ITBA/PNL/S/270A/2024-25/1074788966(1).

Counsel for the Petitioner : SRI S. ANNAMALAI, COUNSEL REPRESENTING FOR SRI AKRUTI AGARWAL

Counsel for the Respondent Nos. 1 & 2: SRI VIJHAY K PUNNA (SENIOR SC FOR ITD)

Counsel for the Respondent No. 3 : SRI B. MUKHERJEE, COUNSEL REPRESENTING SRI N. BHUJANGA RAO, DEPUTY SOLICITOR GENERAL OF INDIA

The Court made the following: ORDER

THE HON'BLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH

AND

THE HON'BLE SRI JUSTICE G.M.MOHIUDDIN

Writ Petition No.35178 of 2025

Order:

Heard Mr. S.Annamalai, learned counsel representing Ms. Akruti Agarwal, learned counsel for the petitioner; Mr. Vijhay K.Punna, learned Senior Standing Counsel for Income Tax Department appearing for respondents No.1 and 2 and Mr. B.Mukherjee, learned counsel representing Mr. N.Bhujanga Rao, learned Deputy Solicitor General of India for respondent No.3.

2. Petitioner- Organization has preferred an appeal before the Commissioner of Income Tax (Appeals) (for short 'CIT(A)') on 10.04.2025, against the assessment order dated 20.03.2025, passed under Section 143(3) read with Section 144B of the Income Tax Act, 1961 (for short 'the Act'), for the assessment year 2023-24. Thereafter,

the petitioner has preferred the present Writ Petition on 18.11.2025 against the same assessment order passed under Section 143(3) read with Section 144B of the Act for the assessment year 2023-24. Petitioner also sought for quashing of the computation sheet dated 20.03.2025 issued by respondent No.1 under Section 143(3) of the Act and demand notice dated 20.03.2025, issued by respondent No.1 under Section 156 of the Act.

3. Learned counsel for the petitioner submits that proper notice was not issued to the petitioner/assessee before undertaking the assessment proceedings, which is in contravention of the SOP issued for Faceless Assessments under Section 144B of the Act. Therefore, the impugned assessment is hit by non-compliance of principles of natural justice.

4. Learned counsel further submits that during pendency of the appeal, this Court had been pleased to quash the assessment proceedings in a batch of Writ Petitions led by W.P.No.23491 of 2025 and other cases, by order dated 16.10.2025. A mere perusal of the said order shows that the proceedings in those batch of cases have been quashed only on the ground that the assessment proceedings were initiated by the Jurisdictional Assessing Officer instead of the Faceless Assessing Officer.

5. Learned Senior Standing Counsel for Income Tax Department has furnished chronology of dates and events of the assessment proceedings, which are extracted hereunder:

Date	Notice/Event	Date of Hearing	Remarks	Annexure	Page No.
19.06.2024	Notice u/s. 143(2)	04.07.2024	No response	R1	1
10.07.2024	Notice u/s. 142(1)	25.07.2024		R2	4
17.07.2024	Assessee requested for adjournment till 05.08.2024	NA	No action has been taken by the AO till the date of adjournment requested.	R3	9
05.08.2024	Assessee further requested for adjournment till 16.08.2024	NA	No action has been taken by the AO till the date of adjournment requested i.e. till 16.08.2024	R4	10
16.08.2024	Assessee filed written submissions in response to	NA		R5	11

	notice u/s. 142(1) dated 10.07.2024				
28.11.2024	Assessee filed further written submissions in response to notice u/s. 142(1) dated 10.07.2024	NA		R6	14
02.12.2024	Notice u/s. 142(1)	11.12.2024	11.12.24: Assessee requested for adjournment till 21.12.2024	R7	18
11.12.2024	Assessee requested for adjournment till 21.12.2024		No action has been taken by the AO till the date of adjournment requested.	R8	25
20.12.2024	Assessee further requested for adjournment till 26.12.2024	NA	No action has been taken by the AO till the date of adjournment requested i.e. 26.12.2024	R9	26
26.12.2024	Assessee further requested for adjournment till 03.01.2025	NA	Adjourned to 07.01.2025	R10	27
27.12.2024	Issued letter by NFAC	07.01.2025	The request for the adjournment is considered and hearing adjourned to 07.01.2025	R11	28
06.01.2025	Assessee filed written submissions	NA		R12	29
07.01.2025	Assessee filed further submissions in continuation to submissions on 06.01.2025		Assessee filed further annexures in continuation to the submission on 06.01.2025	R13	39
09.02.2025	Assessee filed further submissions in continuation to submissions made on 06.01.2025 and 07.01.2025		Assessee stated that full submissions were made and complete annexures serially numbered from 1 to 37 are submitted.	R14	41
19.02.2025	Showcause notice issued	25.02.2025	25.02.2025: Assessee requested for video conferencing on 04.03.2025	R15	53
25.02.2025	Assessee required for Video Conferencing on 04.03.2025	NA		R16	66
25.02.2025	e-Hearing through Video conferencing notice issued	27.02.2025	27.02.2025: Assessee stated that the AR could not attend the VC due to technical glitches and requested for re-scheduling	R17	67
27.02.2025	Assessee requested for re-scheduling	NA		R18	69
28.02.2025	VC adjournment letter issued	03.04.2025		R19	71
04.03.2025	Assessee furnished 'detailed reply'	NA	The AO considered the submissions made by the assessee	R20	73
20.03.2025	Assessment Order u/s. 143(3) r.w.s.144B was passed	NA		R21	77
10.04.2025	Assessee filed first appeal before NFAC.	NA	Form-35 attached	R22	99

6. Learned Senior Standing Counsel submits that the plea of not giving enough opportunity to respond to the notice is untenable as the chronology of dates would

show. The petitioner duly filed his written submissions in response to the notice under Section 142(1) of the Act and requested for further adjournment, which was also granted. He also filed written submissions in continuation of the submissions made earlier. Further written submissions, in continuation of submissions dated 06.01.2025 and 07.01.2025, were submitted on 09.02.2025. Thereafter, show cause notice was issued on 19.02.2025 and hearing was scheduled on 25.02.2025, on which date the petitioner/assessee requested for video conferencing on 04.03.2025. On 27.02.2025, the petitioner/assessee requested for rescheduling. The matter was again adjourned on 28.02.2025. On 04.03.2025, the petitioner/assessee furnished detailed reply which was considered by the Assessing Officer. The assessment order was passed under Section 143(3) read with Section 144B of the Act on 20.03.2025. Therefore, the

plea of denial of opportunity to the petitioner/assessee to participate in the assessment proceedings in response to the show cause notice is untenable on facts. The petitioner has preferred appeal immediately after passing of the assessment order. The petitioner is at liberty to take all grounds on merits before the appellate authority. Therefore, the instant Writ Petition may be dismissed.

7. We have considered the submissions of the learned counsel for the parties and the facts noted above. We also indicate here that though the appeal was filed on 10.04.2025 and the petitioner approached this Court against refusal of stay by the CIT(Exemptions) in two writ petitions *i.e.,* W.P.Nos.28734 of 2025 and 33131 of 2025, the instant Writ Petition has been preferred in the third week of November on 18.11.2025, which we are not inclined to entertain as the petitioner has already

approached the appellate authority. We are, therefore, not inclined to interfere with the impugned assessment order, computation sheet and demand notice dated 20.03.2025, issued by respondent No.1; more so, since the petitioner is pursuing its appellate remedy. Let the CIT(A) decide the appeal in a reasonable time.

8. Accordingly, the Writ Petition is dismissed. No costs.

As a sequel, miscellaneous petitions, pending if any, stand closed.

SD/- K.BHAVANI SWAMY
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. One CC to SRI AKRUTI AGARWAL, Advocate [OPUC]
2. One CC to SRI VIJHAY K PUNNA (SENIOR SC FOR ITD) Advocate [OPUC]
3. One CC to SRI N. BHUJANGA RAO, DEPUTY SOLICITOR GENERAL OF INDIA
4. Two CD Copies

PVL
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HIGH COURT

DATED:26/11/2025



ORDER

WP.No.35178 of 2025

DISMISSING THE WRIT PETITION

WITHOUT COSTS

4/12/25