

Notice served on the email of dissolved firm, the assessment order is set aside: Kerala HC

P.A. Logistics (WP: 39692 of 2022)

Facts:

1. The petitioner's firm had been dissolved with effect from 31-03-2021. Re-assessment proceedings for the A.Y. 2017-18 had been initiated against the petitioner firm for not properly explaining the source of funds to purchase some commercial vehicles.
2. The petitioner submitted that the notices issued by the National Faceless Assessment Center, was to the E-mail address of the dissolved firm and therefore the petitioner was not in a position to respond to those notices.
3. The petitioner approached the High Court under Article 226, challenging the order of assessment issued by the National Faceless Assessment Center. In the petition, the petitioner mainly contended that no fair opportunity of being heard was provided.

Hon Kerala HC held as below:

1. In the present case the principles of natural justice were violated.
2. In view of judgment passed by the Constitution Bench of the Supreme Court of India in the case of Calcutta Discount Co. Ltd. v. Income Tax Officer, Companies District I, Calcutta and Anr; AIR 1961 SC 372, the petitioner is entitled to approach this Court under Article 226 of the Constitution of India.
3. The writ petition is allowed and the matter is remanded to the National Faceless Assessment Centre for completing fresh assessment in accordance with law.