



IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT

THE HONOURABLE MR.JUSTICE ZIYAD RAHMAN A.A.

WEDNESDAY, THE 18TH DAY OF JUNE 2025 / 28TH JYAISHTA, 1947

WP(C) NO. 15933 OF 2022

PETITIONER:

**KEERAMPARA SERVICE CO-OPERATIVE BANK LTD NO-E-214,
KEERAMPARA P.O., KOTHAMANGALAM, ERNAKULAM-686 681,
REPRESENTED BY ITS SECRETARY.**

BY ADV SHRI.C.A.JOJO

RESPONDENTS:

- 1 THE INCOME TAX OFFICER,
WARD 1(TPS), MAHIMA TOWERS, TEMPLE ROAD, THODUPUZZHA-
685 584.**
- 2 COMMISSIONER OF INCOME TAX (APPEALS) 2,
OFFICE OF THE COMMISSIONER OF INCOME TAX, CENTRAL
REVENUE TOWER, IS PRESS ROAD, KOCHI-682 018.**
- 3 INCOME TAX OFFICER,
NON CORPORATE WARD 1 (1), CENTRAL REVENUE TOWER, IS
PRESS ROAD, KOCHI-682 018.**

**BY ADVS.
CHRISTOPHER ABRAHAM, INCOME TAX DEPARTMENT
SHRI.P.R.AJITH KUMAR**

**THIS WRIT PETITION (CIVIL) HAVING COME UP FOR ADMISSION ON
18.06.2025, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:**



ZIYAD RAHMAN A. A., J.

W.P.(C.) No. 15933 of 2022

Dated this the 18th day of June, 2025

JUDGMENT

The petitioner is a co-operative society engaged in the business of providing credit services to its members. As per Rule 15 of the Kerala Co-operative Societies Rules, the petitioner has been classified as a Primary Agricultural Credit Co-operative Society. According to the society, they are entitled to exemption under Section 80P of the Income Tax Act, subject to compliance with the conditions applicable therein.

2. Initially, the petitioner was allotted with a PAN number, AAECK5393D, and transactions of the petitioner were being carried out using the said PAN. However, it was later realized that the PAN allotted to the petitioner by the Department was showing the status of the petitioner as a company and not as a co-operative society. As a consequence of the same, the petitioner was unable to claim exemption under Section 80P of the Income Tax Act, which the petitioner was otherwise eligible for.

3. Therefore, on realizing the said mistake, Ext.P1 application was submitted before the assessing officer, for



allotment of a fresh PAN number showing the status of the petitioner as a co-operative society. The said communication is dated 15.12.2020, and acting upon the same, a fresh PAN card was issued with number AAIK3165H, which is produced as Ext.P1(3). Later, Ext.P2 notice under Section 148 of the Income Tax Act, 1961 was issued to the petitioner on 30.03.2021 by referring to the cancelled PAN card. Ext.P3 was submitted in response to the same, requiring the assessing officer to furnish the reasons to believe that income chargeable to tax has escaped from assessment. However, according to the petitioner, no such reasons were furnished to the petitioner. Ultimately the said proceedings culminated in Ext.P7 assessment order on 31.03.2022. According to the petitioner, as all the notices and the assessment were made with specific reference to the PAN card which was cancelled, the petitioner could not effectively contest the matter, and they were also prevented from pursuing the appellate remedy. In these circumstances, this writ petition is submitted by the petitioner to quash Ext.P7 Assessment Order and Ext.P8 Demand Notice issued under Section 156 of the Income Tax Act, 1961.

4. A statement has been filed by the learned Standing Counsel for the respondent on behalf of the respondent. In the



statement, it is specifically averred that the relief sought by the petitioner is opposed. According to the respondents, the petitioner cannot claim the benefit of Section 80P, as they failed to furnish the returns in respect of the relevant financial year. Therefore, they sought dismissal of the writ petition.

5. I have heard Sri. C. A. Jojo, learned counsel for the petitioner, and Sri. Christopher Abraham, learned Standing Counsel for the respondents.

6. Even though various contentions are raised by the learned counsel for the petitioner, one crucial aspect to be noticed is that, all the proceedings initiated and concluded, as evidenced by Exts. P2 to P7, were issued by specifically referring to the PAN card, which stood cancelled by the authorities concerned. As mentioned above, the transactions pertain to the relevant assessment year were carried out based on the PAN card that was then in existence, which was later cancelled. By the time the proceedings of assessment were initiated by issuing a notice under Section 148, the petitioner was issued with a new PAN card, wherein, the status of the petitioner was shown as the AOP (Association of Persons). Therefore, the specific contention of the petitioner is that they could not effectively contest the matter due to various technical reasons due to discrepancies that arose



consequent to the transactions that are carried out in PAN card which was cancelled and was issued without showing the actual status of the petitioner as a co-operative society. Even though they attempted to file an appeal against Ext.P7, the same could not be uploaded. It was in those circumstances that the reliefs were sought.

7. It is true that learned Standing Counsel stoutly opposes the relief sought in this writ petition. However, it is a fact that all the notices and proceedings were issued by solely referring to the PAN card, which stood canceled as of the date of the search notices/proceedings. Therefore, I am of the view that the contention of of the petitioner regarding the denial of a proper opportunity to contest the matter effectively cannot be ignored. Therefore, I am inclined to grant an opportunity to the petitioner to contest the matter.

In such circumstances, this writ petition is disposed of by quashing Exts. P7 and P8, with a direction to the 1st respondent to issue fresh notices to the petitioner by referring to the PAN No. AAIK3165H to the petitioner and to finalize the proceedings after giving the petitioner an opportunity to submit the reply and by granting a hearing also. It is clarified that, even though the notices are to be issued by showing the present PAN card, nothing would



preclude the assessing authority from relying on the transactions that are already carried out in the cancelled PAN card, as at the relevant time that was the PAN card in existence.

**Sd/-
ZIYAD RAHMAN A.A.
JUDGE**

sjb/18.06.2025



APPENDIX OF WP(C) 15933/2022

PETITIONER EXHIBITS

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| Exhibit P1 | A TRUE COPY OF THE CANCELLATION REQUEST LETTER DATED 15.12.2020 SUBMITTED TO THE 3RD RESPONDENT IS PRODUCED ALONG WITH COPY OF OLD AND NEW PAN CARD. |
| Exhibit P2 | A TRUE COPY OF THE S.148 NOTICE ISSUED BY THE 3RD RESPONDENT TO THE PETITIONER DATED 30.03.2021. |
| Exhibit P3 | A TRUE COPY OF THE REPLY SUBMITTED TO THE 3RD RESPONDENT DATED 22.04.2021. |
| Exhibit P4 | A TRUE COPY OF THE REPLY SUBMITTED TO THE 3RD RESPONDENT DATED 17.09.2021. |
| Exhibit P5 | A TRUE COPY OF THE SHOW CAUSE NOTICE UNDER SECTION 144 ISSUED BY THE 3RD RESPONDENT TO THE PETITIONER DATED 18.03.2022. |
| Exhibit P6 | A TRUE COPY OF THE REPLY SUBMITTED TO THE 1ST RESPONDENT DATED 25.03.2022. |
| Exhibit P7 | A TRUE COPY OF THE ASSESSMENT ORDER UNDER SECTION 147 R.W.S. 144 ISSUED BY THE 1ST RESPONDENT DATED 31.03.2022. |
| Exhibit P8 | A TRUE COPY OF THE DEMAND NOTICE UNDER SECTION 156 ISSUED BY THE 1ST RESPONDENT DATED 31.03.2022. |