M/s. Dover India Private Limited v. Deputy Commissioner of Income-tax, Circle 2(1)(1), Bengaluru & National Faceless Assessment Centre

WP No. 19212 of 2021 (T-RES)

2025:KHC:50281 | WP No. 19212 of 2021 (T-RES) (Karnataka High Court, decided 28 November 2025) | 2025-11-28

Assessment and connected instruments quashed by applying mandatory draft-assessment procedure in Cisco Systems Capital.

Income-tax Act,1961: sections 143(3), 144B, 144C, 156

High Court of Karnataka | Single judge | Justice S.R. Krishna Kumar

Assessment years: 2018-19

01 FACTS OF THE CASE

Dover India sought to quash the final assessment and demand dated 21 September 2021 for AY 2018-19. The prayers described the assessment under sections 143(3) and 144B and the demand under section 156, and alleged invalidity and limitation.

Source: PDF pp.1–3

02 DISCUSSION BY THE HON'BLE COURT

The Court held the controversy directly covered by Cisco Systems Capital, ITAs 128/2021 and 174/2021, both decided 20 September 2021. It reproduced those decisions extensively: section 144C requires a draft assessment before the final order for an eligible assessee even after Tribunal remand; the quoted reasoning rejected treatment of that omission as curable.

Source: PDF pp.4–14

03 JUDICIAL DECISION

Applying those decisions, the Court allowed the writ and quashed Annexures C, D and E, all dated 21 September 2021.

Source: PDF p.15, para 5

04 OUTCOME / IN WHOSE FAVOUR

Petitioner successful; the identified assessment, demand and Annexure E were quashed. No fresh-assessment direction or express remand appears in the operative order.

Source: PDF p.15

05 EXPERT COMMENTS

AKHB Expert Comments — editorial analysis, distinct from the Court's findings.

Preserve the procedural protection after remand: The adopted Cisco reasoning rejects the proposition that an earlier draft order exhausts the section 144C requirement for later adjudication. The practical inquiry is whether the proposed adverse variation to an eligible assessee passed through the required draft stage before finalisation. Calling the later order an order giving effect does not answer that question under the precedent applied here. (PDF pp.6–12, quoted Cisco reasoning)

Do not import Cisco's facts into Dover: Most of this PDF is quoted precedent. Cisco's assessment years, leasing business, revision proceedings and transfer-pricing history are not independent findings about Dover. Dover's identified year is 2018-19 and its impugned instruments are dated 21 September 2021. A case comparison should distinguish those direct identifiers from the historical facts inside the quotation. (PDF pp.2–6, 12–15)

Relief is narrower than every pleaded ground: The prayers also alleged that the assessment was time-barred, but the Court supplied no separate limitation calculation. It quashed C, D and E by applying the cited decisions and did not describe E separately in the reproduced prayers. The source therefore supports the exact quashing order, not an invented limitation holding, a description of E as a particular penalty notice, or a new statutory deadline. (PDF pp.2–4, 15)

Source: PDF pp.6–12, quoted Cisco reasoning

SOURCE & VERIFICATION

Original High Court judgment PDF — AKHB source repository

Complete 15-page original reviewed; source bytes verified.

Full original and all five panels re-reviewed on 21 October 2026.

Open cited source rendition

Complete original source and all five note panels checked; original docket identities preserved.

STATUTORY SCOPE

Current law and subsequent treatment not independently verified.

LATER TREATMENT

Source checked 2026-10-21. Subsequent proceedings and current judicial treatment have not been independently verified.

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

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