

## **Order passed by AO without considering assessee's submissions is a non speaking order and needs to be quashed**

**Summary – The High Court of Bombay in a recent case of TLG India (P.) Ltd., (the Assessee) held that order passed by AO without considering assessee's submissions is a non speaking order and needs to be quashed**

### **Facts**

- The assessee Petitioner company was deducting tax at source under section 194C while making payment to the media owners since it was an advertising agency and enabled its clients to place their advertisement on various media. The AO held the assessee as an assessee in default under section 201(1) and 201(1A) for failure to deduct tax on payments made to media owners for the services the media owners provided to the petitioner under section 194J. It filed writ petition on the ground of breach of principles of natural justice, viz: non-speaking order.

### **Held**

- The HC held that upon examination of the orders it is clear that they are non-speaking orders since there is no consideration of petitioner's submissions therein. Since the principles of natural justice have not been found to have been adhered to in the present case, the orders issued by the AO need to be quashed.