IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

WRIT PETITION NO. 1116 OF 2025

Pinnacle Piling (India) Private Limited .. Petitioner

Versus

National Faceless Assessment Centre (formerly known as National E-Assessment Centre), Delhi and Ors. .. Respondents

Mr. Devendra H. Jain*, a/w Shashank A. Mehta, Sankhya D. Lakade, i/b Raddha Halbe, for the Petitioner.*

Mr. Vikas T. Khanchandani*, a/w Eshaan Saroop, for the Respondents-Revenue.*

CORAM: B. P. COLABAWALLA &
AMIT S. JAMSANDEKAR, JJ.

DATE: DECEMBER 15, 2025

P. C.

1. The above Writ petition is filed seeking to quash and set aside the impugned Show Cause Notice dated 14th March 2024, the impugned Assessment Order dated 27th March 2024, the impugned Notice of Demand dated 27th March 2024, and the impugned Penalty Show Cause Notices also dated 27th March 2024. The short ground on which the aforesaid challenge is laid is that the Assessment Order has been passed without giving any opportunity of hearing and/or notice to the Petitioner.

2. To put it in a nutshell, it is the case of the Petitioner that initially a notice under Section 142(1) was served upon the Petitioner through the Email of the Director of the Petitioner. The Email ID on which the Section 142(1) notice was served was “saikumar@eim.ae”. A response to this Section 142(1) notice was also uploaded by the Petitioner on the Income Tax portal. It is the case of the Petitioner that they became aware that an Assessment Order was passed against the Petitioner, when recovery proceedings were initiated. It is the Petitioner’s case that the aforesaid Email ID of the Director, namely “saikumar@eim.ae”, is neither the primary Email ID of the Petitioner nor is this Email ID registered with the Income Tax Department. According to the Petitioner, the primary and registered Email ID of the Petitioner is “ppilaccounts@pinnaclepiling.org”. According to the Petitioner, no Show Cause Notice was ever served on this Email ID during the course of the assessment proceedings, and hence the Assessment Order itself is bad on the ground of breach of the principles of natural justice.

3. On the other hand, it is the case of the Department that admittedly, the notice under Section 142(1) was served at the Email address “saikumar@eim.ae” and a response of the Petitioner to the said notice was also uploaded on the Income Tax portal. It is on this very Email address that the Show Cause Notice was also served. Once this is the case, it can hardly lie in the mouth of the Petitioner to contend that it was unaware of the Show Cause Notice, or any action taken in the assessment proceedings which culminated in the Assessment Order. Hence, according to the Revenue, there was no breach of the principles of natural justice, and hence, the Writ Petition ought to be dismissed.

4. We have heard the learned Counsel for the parties and also perused the papers and proceedings in the above Writ Petition.

5. It is not in dispute that in the facts of the present case, the notice under Section 142(1) was served upon the Petitioner on the Email ID of its Director, namely "saikumar@eim.ae". It is also not in dispute that the Petitioner, in response to the notice issued under Section 142(1), furnished the details on the Income Tax portal. It is the specific case of the Revenue that on this very same Email ID, namely "saikumar@eim.ae", the Show Cause Notice was also served.

6. In contrast, it is the case of the Director of the Petitioner that no such Show Cause Notice was received on the aforesaid Email ID from Respondent No.1, or received in the spam folder, wherein the Emails get auto-deleted in a 30-day time frame. In any event, it is the case of the

Petitioner that it is very likely that even if the Email was received on the Email ID of the Petitioner's Director, it might have been missed by the Director, because from the time when the Section 142(1) notice was served and the issuance of the Show Cause Notice, a period of 5 months had elapsed.

7. After hearing the parties and noting the facts as above, we do not find that the Revenue is unjustified in contending that there has been no breach of the principles of natural justice in the present case. Though there is a dispute with reference to whether the Show Cause Notice was in fact sent or received by the Director of the Petitioner (on his Email ID), we will presume the same to be true. However, in the facts and circumstances of the present case, considering that a period of 5 months had elapsed between the issuance of the notice under Section 142(1) and the service of the Show Cause Notice, there is a distinct possibility that the Director of the Petitioner might have missed the Email sent by the Department on the Email ID "saikumar@eim.ae". For this inadvertent mistake, we are of the opinion that the Petitioner ought not to suffer and face a huge liability of approximately Rs. 10 Crores.

8. We are, therefore, of the view that in order to ensure that justice is done, the Assessing Officer should give a fresh hearing to the Petitioner on the Show Cause Notice issued and thereafter pass a fresh Assessment Order. This is obviously subject to the fact that the Petitioner pays the costs of Rs.1,50,000/- by a Demand Draft in favour of "SBI A/c Income - Tax". These costs shall be paid within 3 weeks from the date of uploading of this order on the High Court Website.

9. Hence, looking at the totality of the facts of the case, we pass the following order:-

(a) The impugned Assessment Order dated 27th March 2024 (Exhibit-F1), impugned Demand Notice also dated 27th March 2024 (Exhibit-F2), and the impugned Penalty Show Cause Notices dated 27th March 2024 (Exhibits-F3 and F4) are hereby quashed and set aside.

(b) This is obviously subject to the fact that the Petitioner pays the costs of Rs.1,50,000/- by Demand Draft in favour of "SBI A/c Income - Tax" within 3 weeks from the date of uploading of this order on the High Court Website.

(c) If the costs are paid as directed above, then the Petitioner shall file its reply to the Show Cause Notice on the Income Tax portal. To enable the Petitioner to do so, the Income Tax Department shall reopen the portal to ensure that the Petitioner can file its reply to the Show Cause Notice.

(d) We also direct that once a reply is filed, the Petitioner shall be given a personal hearing through video conferencing on a date and time fixed by the Faceless Assessing Officer. Once this exercise is completed, the Faceless Assessing Officer can then proceed to pass his Assessment Order, which shall be a speaking order dealing with all the contentions raised by the Petitioner.

(e) To complete this entire exercise (of giving a hearing and thereafter passing the Assessment Order) shall be completed by 30th April 2026.

(f) It is needless to clarify that if the costs as directed above are not paid within the stipulated period, the above Writ Petition shall stand dismissed without further reference to the Court and Assessment Order dated 27th March 2025, as well as notices issued pursuant thereto, shall stand revived.

10. The Writ Petition is disposed of in the aforesaid terms.

11. This order will be digitally signed by the Private Secretary/ Personal Assistant of this Court. All concerned will act on production by fax or email of a digitally signed copy of this order.

[AMIT S. JAMSANDEKAR, J.] **[B. P. COLABAWALLA, J.]**

Darshan Patil

Signed by: Darshan Patil
Designation: PA To Honourable Judge
Date: 19/12/2025 11:23:15