IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
WRIT PETITION NO. 2060 OF 2025

Shreepati Jewels .. Petitioner

Versus

The National Faceless Assessment Centre
& Ors .. Respondents

Mr. Dharan Gandhi with Aanchal Vyas*, Advocates for the Petitioner.*

Ms. Mamta Omle*, Advocates for the Respondents.*

CORAM: B. P. COLABAWALLA &
FIRDOSH P. POONIWALLA, JJ.
DATE: AUGUST 12, 2025

P. C.

1. The above Writ Petition is filed seeking to quash and set aside the impugned Assessment Order passed under Section 143(3) read with Section 144(B) dated 21st March 2025 for AY 2023-24. This Order was passed by Respondent No.1 under the provisions of the Income Tax Act, 1961. What is also challenged is the impugned Demand Notice dated 21st March 2025 passed under Section 156 as well as the Show Cause Notice dated 21st March 2025 for levy of penalty.

2. The main grievance of the Petitioner is that though the Show Cause Notice asks the Petitioner to show cause why certain additions should not be made, in the Assessment Order, additions are not made on items for which the Petitioner was made to show cause, but on completely different items, and for which no show cause notice was issued to the Petitioner. It is on this short ground that the Assessment Order passed under Section 143(3) is challenged before us in the present Writ Petition.

3. On 14th July 2025, the learned Counsel for the Respondent had taken time to file an Affidavit in Reply. Acceding to her request, time was granted to her upto 4th August 2025 to file her reply. In the meanwhile, vide order dated 14th July 2025, ad-interim relief in terms of prayer clause (d) was granted.

4. As per our directions, the learned Counsel for the Respondent has filed an Affidavit in Reply of Respondent No. 2 (Assistant Commissioner of Income-tax 19(2), Mumbai,) affirmed on 29th July 2025. What is relevant is paragraph 7 thereof, which is reproduced hereunder:

> *"7. <u>It is submitted that there has been an inadvertent error on the part of respondent while issuing final Show Cause Notice dated 11.03.2025.</u> It is submitted that on the issues wherein additions are made by assessing officer timely queries were raised and requisite documents were called upon giving petitioner an opportunity to file evidence in his support in earlier notices*

issued u/s 142(1) dated 27.01.2025. The Petitioner has filed his reply in parts. Petitioner has participated in the proceedings. <u>However, if the Hon'ble Court deems fit it is respectfully prayed that the Hon'ble Court may be pleased to allow the respondents to issue a Fresh Show Cause Notice to the petitioner on all the issues/additions made & complete the assessment within a period of 12 weeks</u>."

(emphasis supplied)

5. In light of the above candid and fair admission on behalf of the Respondents, it becomes clear that the grievance of the Petitioner is justified.

6. Accordingly, we hereby quash and set aside (i) the assessment order passed u/s 143(3) r.w.s. 144B dated 21.03.2025; (ii) the notice of demand under section 156 dated 21.03.2025; as well as (iii) the consequential show-cause notice for levy of penalty issued under section 274 read with section 270A and 271AAC dated 21.03.2025.

7. We remand the matter back to the file of the Assessing Officer. He shall issue a fresh show cause notice to the Petitioner in accordance with law as per the Standard Operating Procedures issued, grant reasonable opportunity of being heard to the Petitioner, including sufficient time to file a reply to the notice. Before passing the assessment order, a personal hearing shall be granted to the Petitioner. The assessment order shall be a speaking

order and shall deal with all the submissions of the Petitioner. The assessment order shall be passed on or before 30th November 2025.

8. All rights and contentions of all parties are kept open.

9. The Writ Petition is disposed of in the aforesaid terms. However, there shall be no order as to costs.

10. 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.

[FIRDOSH P. POONIWALLA, J.] **[B. P. COLABAWALLA, J.]**

Aswale