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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

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Date of Decision: 15.05.2025

+ **W.P.(C) 6860/2024**

KALKAJEE KRAFT PAPER PRIVATE LIMITEDPetitioner

Through: Mr Amar Kumar and Mr Ayush
Pranav, Advocates.

versus

ASSESSMENT UNIT, INCOME TAX DEPARTMENT,
DELHI & ORS.Respondents

Through: Mr Indruj Singh Rai, SSC with Mr
Sanjeev Menon and Mr Rahul Singh,
Advocates.

CORAM:

HON'BLE MR. JUSTICE VIBHU BAKHRU

HON'BLE MR. JUSTICE TEJAS KARIA

VIBHU BAKHRU, J. (Oral)

CM APPL. 29513/2025 (early hearing)

1. This is an application for early hearing of the above captioned petition, which is now listed on 29.10.2025.
2. For the reasons stated in the application, the same is allowed.
3. The hearing fixed on 29.10.2025 stands cancelled.

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4. The petitioner has filed the present petition impugning an assessment order dated 18.03.2024 [**impugned order**] passed under Section 143(3) read with Section 144B of the Income Tax Act, 1961 [**the Act**]. The petitioner also impugns a penalty proceedings initiated under Section 270A of the Act pursuant to the notice dated 18.03.2024 issued by respondent no.1 [AU].



The petitioner claims that the impugned order has been passed without issuance of notices to the petitioner.

5. The petitioner claims that the AU had issued notices to the petitioner at an incorrect email ID and therefore, the same were not received. On the aforesaid basis, the petitioner contends that the impugned order has been passed in violation of the principles of natural justice and therefore, is liable to be set aside.

6. Mr Singh, the learned counsel for the Revenue stoutly disputes the contention that the notices sent to the petitioner under Section 142(1) of the Act or the show cause notices issued were not duly communicated to the petitioner.

FACTUAL CONTEXT

7. The petitioner was incorporated as a private company under the name and style of ANARKALI TRADING PRIVATE LIMITED on 28.06.1993. The petitioner's name was, subsequently, changed to BALPRADA TRADING PRIVATE LIMITED with effect from 15.09.2003 and a certificate of incorporation reflecting the change in the name was issued by the Registrar of Companies [**ROC**].

8. The petitioner's name was once again changed on 17.11.2022. It is now known as KALKAJEE KRAFT PAPER PRIVATE LIMITED.

9. On 01.06.2023, the petitioner received a notice at its email ID <kalkajee2016@gmail.com> informing the petitioner that its return for assessment year [**AY**] 2022-23 had been selected for faceless assessment/re-



assessment.

10. Thereafter, on 31.07.2023, a notice under Section 142(1) of the Act was sent to the petitioner at its email ID <BALPRADATRADING@GMAIL.COM> calling upon the petitioner to furnish certain details. The petitioner claims that the said email address is a wrong address and its correct email ID is <kalkajee2016@gmail.com>.

11. On 14.08.2023, the petitioner submitted a reply to the notice dated 31.07.2023 – which was sent by email at <BALPRADATRADING@GMAIL.COM>. The petitioner submitted certain explanations and stated that further remaining documents, explanations would be submitted by 07.09.2023. However, the petitioner failed to provide any further information, which was sought by the notice dated 31.07.2023 issued under Section 142(1) of the Act.

12. The AU sent another notice dated 25.02.2024 under Section 142(1) of the Act seeking certain details and information in connection with the petitioner's return for AY 2022-23. The said notice was also sent at the petitioner's email ID <BALPRADATRADING@GMAIL.COM>, which the petitioner claims to be an incorrect email ID.

13. Thereafter, the AU issued a show cause notice dated 04.03.2024 calling upon the petitioner to show cause why a consideration of ₹7,30,00,000/- be treated as long term gains and added to the total income of the petitioner and why the amount of ₹69,60,000/- not be treated as the petitioner's income from house property. The said notice was also sent electronically at <BALPRADATRADING@GMAIL.COM>.



14. The petitioner did not respond to the show cause notice and consequently, the AU passed the impugned order. The AU also issued a show cause notice under Section 270A of the Act, which is also impugned in the present petition. The said notice was also sent at the petitioner's email ID <BALPRADATRADING@GMAIL.COM>.

REASONS AND CONCLUSION

15. As noted above, it is the petitioner's case that the impugned order has been passed in violation of principles of natural justice as the notices as mentioned above, including the show cause notice, were sent at an incorrect email address.

16. The learned counsel for the petitioner referred to the decision of the Coordinate Bench of this court in ***Jyoti Narang v. Income Tax Officer: Neutral Citation No.:2023:DHC:4967-DB***, whereby this Court had set aside the assessment order on the ground that the show cause notice had been sent to an incorrect email address. Additionally, the learned counsel had also referred to the decision of the Bombay High Court in ***Lok Developers v. Deputy Commissioner of Income Tax Circle 24(1), Mumbai and Ors.: (2023) 455 ITR 399***. On the strength of the said decision, the petitioner contended that the email address mentioned in the Income Tax Return furnished by the assessee is required to be considered as the primary email address and the secondary email ID, as per the PAN Card, is required to be considered as the secondary email address. And, the secondary email address is required to be used only in such circumstances, where the authority is unable to effect service of any communication at the primary



address.

17. Mr Indruj Singh Rai, the learned counsel appearing for the Revenue had submitted that the petitioner's email ID in the records of the Ministry of Corporate Affairs [records of the ROC] is the <BALPRADATRADING@GMAIL.COM>. It is important to note that this assertion was not disputed or controverted by the learned counsel for the petitioner.

18. In the aforesaid context, the question that falls for consideration is whether the service of notice at the email address as provided by an assessee to the Ministry of Corporate Affairs [MCA] and ROC is compliant with the provisions of the Act and the Income Tax Rules, 1962 [the Rules].

19. Section 282 of the Act, which contains provisions relating to the service of notice, is relevant and is set out below:

“282. Service of notice generally.—(1) The service of a notice or summon or requisition or order or any other communication under this Act (hereafter in this section referred to as “communication”) may be made by delivering or transmitting a copy thereof, to the person therein named,—

- (a) by post or by such courier services as may be approved by the Board; or
- (b) in such manner as provided under the Code of Civil Procedure, 1908 (5 of 1908) for the purposes of service of summons; or
- (c) in the form of any electronic record as provided in Chapter IV of the Information Technology Act, 2000 (21 of 2000); or
- (d) by any other means of transmission of documents as



provided by rules made by the Board in this behalf.

(2) The Board may make rules providing for the addresses (including the address for electronic mail or electronic mail message) to which the communication referred to in sub-section (1) may be delivered or transmitted to the person therein named.

Explanation.—For the purposes of this section, the expressions “electronic mail” and “electronic mail message” shall have the meanings as assigned to them in *Explanation* to Section 66-A of the Information Technology Act, 2000 (21 of 2000).”

20. In terms of sub-section (2) of Section 282 of the Act, the Central Board of Direct Taxes is empowered to make Rules for providing for the addresses (including the address for electronic mail or electronic mail messages) to which communications may be delivered or transmitted. In exercise of the said powers, the Rules includes rules for service of notice, summons, requisition order and other communications. The relevant extract of Rule 127 of the Rules is set out below:

“127. Service of notice, summons, requisition, order and other communication.—(1) For the purposes of sub-section (1) of Section 282, the addresses (including the address for electronic mail or electronic mail message) to which a notice or summons or requisition or order or any other communication under the Act (hereafter in this Rule referred to as “communication”) may be delivered or transmitted shall be as per sub-rule (2).

(2) The addresses referred to in sub-rule (1) shall be—



(b) for communications delivered or transmitted electronically—

- (i) email address available in the income-tax return furnished by the addressee to which the communication relates; or
- (ii) the email address available in the last income-tax return furnished by the addressee; or
- (iii) in the case of addressee being a company, email address of the company as available on the website of Ministry of Corporate Affairs; or
- (iv) any email address made available by the addressee to the income-tax authority or any person authorised by such income-tax authority.

(3) The Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems) shall specify the procedure, formats and standards for ensuring secure transmission of electronic communication and shall also be responsible for formulating and implementing appropriate security, archival and retrieval policies in relation to such communication.”

21. It is expressly clear that in terms of Rule 127(2)(b)(iii) of the Rules, a communication can be transmitted electronically to the email address of the company as available on the website of the MCA. In the present case, the notices were sent to the petitioner at the email address as available at the website of the MCA and therefore, the contention that the notices had been sent to an incorrect email address, is unmerited.

22. Having stated the above, it is also relevant to refer to Section 292BB of the Act, which was pointed out by Mr Singh, the learned counsel for the Revenue. The said Section is set out below:



“292-BB. Notice deemed to be valid in certain circumstances.—Where an assessee has appeared in any proceeding or co-operated in any inquiry relating to an assessment or reassessment, it shall be deemed that any notice under any provision of this Act, which is required to be served upon him, has been duly served upon him in time in accordance with the provisions of this Act and such assessee shall be precluded from taking any objection in any proceeding or inquiry under this Act that the notice was—

(a) not served upon him; or

(b) not served upon him in time; or

(c) served upon him in an improper manner:

Provided that nothing contained in this section shall apply where the assessee has raised such objection before the completion of such assessment or reassessment.”

23. In the present case, there is no cavil that the notice informing the petitioner that its return had been picked up for scrutiny was duly communicated to the petitioner on 01.06.2023 at its email ID <kalkajee2016@gmail.com>, which the petitioner acknowledges is a correct email ID. Therefore, the petitioner was fully aware that its return for AY 2022-23 had been selected for scrutiny.

24. Admittedly, the petitioner had also received a notice dated 31.07.2023 issued under Section 142(1) of the Act, which was sent at its email ID - <BALPRADATRADING@GMAIL.COM> and which the petitioner claims is an incorrect email address.

25. We find it difficult to accept the petitioner’s objection in regard to the notices being sent at its email address considering that there is no dispute that the petitioner had received the said notice. This is also evident from the fact that the petitioner had responded to the said notice. The learned counsel



for the petitioner had contended that the petitioner may have become aware of the notice by observing the same on the ITBA portal. However, there are no averments to the aforesaid effect. There is also no averment that the petitioner did not receive the notice dated 31.07.2023. It is relevant to refer to the petitioner's averments in its petition in this regard. The same is set out below: -

“6.B. That the Respondent No.1 sent a Notice dated 31/07/2023 u/s 142(1) of the Act on the wrong e-mail id viz. BALPRADATRAIDING@GMAIL.COM which is not a registered e-mail id of the Petitioner. However, the Petitioner submitted a partial reply to the said Notice on 14/08/2023. A copy of the Notice dated 31/07/2023 along with Acknowledgment of Reply dated 14/08/2023 is enclosed herewith and collectively marked as ANNEXURE P-4.”

26. It is the petitioner's case that the notice had been sent at the email address, which is not the registered email address of the petitioner. Nonetheless, the petitioner had responded by submitting a partial reply to the said notice on 14.08.2023. Although the petitioner had committed that it would furnish the remaining information by 07.09.2023, the petitioner had not done so.

27. In the given facts, the provisions of Section 292BB of the Act are clearly applicable as the petitioner had participated in the inquiry relating to the assessment and therefore, it was precluded from raising any objection that the notice was not served or was served in an improper manner.

28. In these facts, we are unable to accept that the impugned order has been passed in violation of principles of natural justice on the ground that the petitioner's has not been afforded the sufficient opportunity to represent



its case. There is also no dispute that the notices have been duly put up on the ITBA Portal and the petitioner was aware of the assessment proceedings.

29. As noted above, the petitioner's challenge to the impugned order rests solely on the basis that the notices preceding the assessment order were sent at an incorrect email address. Since we do not find any merit in the said contention, the present petition is dismissed.

30. However, we consider it apposite to direct that in the event the petitioner avails its statutory appellate remedies, if not already done, within a period of two weeks from date, the same would be considered by the appellate authority uninfluenced by the question of delay.

VIBHU BAKHRU, J

TEJAS KARIA, J

MAY 15, 2025

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Click here to check corrigendum, if any