



\$~210

* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ W.P.(C) 4327/2026, CM APPL. 21090/2026 & CM APPL.
21091/2026
PUNEET KANODIAPetitioner

Through: Mr. Sumit Lalchandani and Ms.
Ananya Kapoor, Advs.

versus

NATIONAL FACELESS ASSESSMENT CENTRE NEW DELHI &
ANR.Respondents

Through: Mr. Apoorv Agarwal, JSC, Mr.
Siddharth Kumar, Mr. Himanshu
Gaur and Mr. Gaurav Kumar Arya,
Advs.

CORAM:
HON'BLE MR. JUSTICE DINESH MEHTA
HON'BLE MR. JUSTICE VINOD KUMAR

ORDER
17.04.2026

%

1. The present writ petition is directed against the assessment order dated 20.03.2026 passed under Section 143(3) read with Section 144B of the Income Tax Act, 1961 (*hereinafter referred to as 'the Act of 1961'*).
2. Mr. Sumit Lalchandani, learned counsel for the petitioner argued that the assessment order has been passed in violation of principles of natural justice, and submitted that though the petitioner had asked for an adjournment, the Assessing Officer did not adjourn the case and passed the



order, that too without considering the petitioner's reply.

3. The facts appertain, as apprised by Mr. Lalchandani are that during the assessment proceedings, a notice was firstly issued on 06.03.2026 requiring the petitioner to file a reply to the show cause notice by 01:09 PM of 11.03.2026. According to the petitioner, on 11.03.2026, he had sent a written request for an adjournment (albeit at 2 PM).

4. Mr. Lalchandani submitted that though a written request for adjournment was filed, the petitioner was under the impression that once the matter is adjourned, he will file his reply. Thereafter, the petitioner did not hear anything from the respondents and came to receive the impugned assessment order dated 20.03.2026.

5. Learned counsel for the petitioner argued that the petitioner had *bonafidely* made a request for adjournment and since the same was not favourably acceded to, not only petitioner's right to appear before the Assessing Officer was violated, even his right to file reply could not be exercised even though the reply was sent.

6. Mr. Apoorv Agarwal, learned Junior Standing Counsel for the respondents on the other hand submitted that the petitioner was given ample opportunities and the liberty to file reply as specifically mentioned in the notice dated 06.03.2026 was until 01:09 PM of 11.03.2026 and since the petitioner did not make request for adjournment, time slot available to the petitioner was over and hence the Assessing Officer had no other option but to proceed with the assessment proceedings and conclude the same.

7. He argued that the case and facts as portrayed by the petitioner are not in conformity with the record. He submitted that it was for the petitioner to remain vigilant and file reply or request an adjournment well in time.



8. On *prima facie* consideration of the matter, we are of the view that the principles of natural justice, as a matter of fact, have not been violated.

9. At this juncture, Mr. Lalchandani invited Court's attention towards the merit of the additions made and pointed out that the Assessing Officer had not even made proper application of mind inasmuch as the loan taken by petitioner's wife for half of the share of the subject property and the entire source of income has been added in petitioner's hand.

10. Considering the nature of the addition made, coupled with the fact that a demand which apparently called for consideration has been raised against the petitioner, we are of the view that had the petitioner filed a reply in time, the Assessing Officer would perhaps not have raised the demand as has been done in the present case.

11. Be that as it may. The Assessing Officer proceeded to make the addition of Rs. 2,85,00,000 under Section 69C of the Act of 1961, without advertng to the undisputed factual position and the documents available on record, that the subject property was purchased jointly by the petitioner-assessee and his wife, Mrs. Namrata Kanodia, contributing in equal proportion. The assessment order dated 20.03.2026 itself, unequivocally records that the subject property is jointly owned by the petitioner-assessee and his wife.

12. Furthermore, the Assessing Officer failed to make the rudimentary inquiry into the independent tax position of petitioner-assessee's wife (Mrs. Namrata Kanodia) despite having the relevant material before him, including her Permanent Account Number (PAN). He could have examined her Return of Income for the Assessment Year 2024-25, who had independently contributed towards the purchase of the subject property after



arranging her own funds.

13. The Assessing Officer proceeded on the erroneous premise that the entire source of investment was unexplained in the hands of the petitioner. Such an approach manifestly disregards the settled principle that an assessee can only be called upon to explain his own share of investment. The petitioner may be husband of the co-owner, a separate assessee cannot be fastened with the liability to account for the financial contribution of another individual and saddled with the tax liability.

14. In the facts peculiar to the case, we are persuaded to grant an indulgence to the petitioner for filing reply and a corresponding direction to the Assessing Officer to consider the same in accordance with law.

15. The impugned assessment order dated 20.03.2026 is hereby set aside not on the grounds of violation of principles of natural justice, but in order to serve the ends of justice and to ward off failure of justice. The impugned assessment order dated 20.03.2026 (Annexure P1) and corresponding demand notice are therefore, set aside.

16. The National Faceless Assessment Center shall issue a notice to the petitioner requiring him to file a reply by 30.04.2026, while fixing time for hearing at 11 am of 30.04.2026.

17. In case the petitioner wants to opt for personal hearing, he may do so, in accordance with law (by clicking on the VC link).

18. The Assessing Officer shall complete the assessment proceedings in accordance with law after considering the reply in case the same is filed and submissions if made.

19. We make it clear that the instant order has been passed in peculiar facts of the present case and thus, the same shall not be a precedent to be



followed by the authorities.

20. The petition stands allowed. Pending applications stand disposed of.

DINESH MEHTA, J

VINOD KUMAR, J

APRIL 17, 2026/cd