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

+ **W.P.(C) 4774/2021**

K L TRADING CORPORATION Petitioner

Through: Mr. Ruchesh Sinha, Adv.

versus

NATIONAL E-ASSESSMENT CENTRE DELHI & ANR.

..... Respondents

Through: Mr. Abhishek Maratha, Sr. Standing
Counsel for Revenue.

CORAM:

HON'BLE MR. JUSTICE RAJIV SHAKDHER

HON'BLE MR. JUSTICE TALWANT SINGH

ORDER

% **16.04.2021**

[Court hearing convened via video-conferencing on account of COVID-19]

CM APPL. No.14724/2021

1. Allowed, subject to just exceptions.

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2. Mr. Ruchesh Sinha, who appears on behalf of the petitioner, says that the petitioner is aggrieved by the fact that, although, the assessment was carried out under the Faceless Assessment Scheme 2019 [hereafter referred to as the "Scheme"] framed by the revenue, the provisions of the Scheme have not been adhered to.

2.1. Mr. Sinha says that there has been a breach of the principles of natural justice; a principal which stands engrafted in the Scheme.

2.2. For this purpose, our attention has been drawn to the Faceless Assessment (1st Amendment) Scheme, 2021 [2021 Scheme]. In particular,

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our attention has been drawn to sub-clauses (b) and (c) of clause 2(xvi) of the 2021 Scheme.

2.3. Based on the said provisions, Mr. Sinha says that, since there was a variation made to the declared income of the petitioner *qua* the assessment year 2018-2019, a show-cause notice should have been issued, before finalizing the variation.

3. A perusal of the impugned assessment order dated 31.03.2021 shows that the petitioner had declared its income, as Rs.2,00,76,180/-, which, while framing the impugned assessment order was enhanced to Rs.3,50,79,205/-. Additions have been made by the assessing officer *vis-a-vis* unsecured loans, and the disallowance made under Section 14A of the Income Tax Act, 1961.

4. Given the foregoing, we are of the view, that at least, at this stage, the petitioner has been able to set up a *prima facie* case for issuance of notice and grant of an interim order.

5. Accordingly, issue notice to the respondents.

5.1. Mr. Abhishek Maratha, learned senior standing counsel, accepts service on behalf of the respondents/revenue.

5.2. A counter-affidavit will be filed within three weeks from today. Rejoinder thereto, if any, will be filed before the next date of hearing.

5.3 In the meanwhile, the operation of the assessment order dated 31.03.2021 (Annexure P-1) shall remain stayed till the next date of hearing.

6. List the matter on 21.05.2021.

RAJIV SHAKDHER, J

TALWANT SINGH, J

APRIL 16, 2021/pmc

Click here to check corrigendum, if any

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