Jyoti Malhotra v. Income Tax Officer, Ward 1(3), Faridabad & Ors.

ID: F2J-C-2463 **Court:** Punjab-Haryana High Court
Case: CWP-1654-2026 **Date:** 2026-01-29

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[Cites 5, Cited by 0] Punjab-Haryana High Court Jyoti Malhotra vs Income Tax Officer Ward 1(3) Faridabad ... on 29 January, 2026 Author: Lisa Gill Bench: Lisa Gill 1 CWP-1654-2026 140 IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH CWP-1654-2026 Date of Decision: January 29, 2026 JYOTI MALHOTRA .....Petitioner Versus INCOME TAX OFFICER WARD 1(3) FARIDABAD AND OTHERS ..... Respondents CORAM:- HON'BLE MRS. JUSTICE LISA GILL HON'BLE MR. JUSTICE RAMESH CHANDER DIMRI Present: Mr. Kartik Bansal, Advocate for the petitioner Mr. Varun Issar, Senior Standing counsel with Ms. Pridhi Sandhu, Junior Standing counsel for the respondent-Income Tax Department. **** LISA GILL, J.

1. Challenge in the present petition is to notice dated 19.05.2025 under Section 148 of the Income Tax Act, 1961 (for short 'Act 1961"), for the Assessment year 2022-23, and all subsequent proceedings on the ground that Issuing Authority had no jurisdiction to issue the same, in view of circular/notification dated 29.03.2022 of the CBDT, wherein, it has been specifically enumerated that National Faceless Assessment Centre (NFAC) has exclusive power to issue notice under Section 148 of the Act, 1961.

2. Learned counsel for petitioner contends that the issue involved in the present writ petition is covered by judgment passed by a Co-ordinate Bench 1 of 3 ::: Downloaded on - 14-02-2026 00:38:14 ::: 2 CWP-1654-2026 of this Court in the cases of Jatinder Singh Bhangu vs. Union of India and others in CWP No. 15745-2024 and connected matter, decided on 19.07.2024 and Jasjit Singh vs. Union of India and others (CWP No. 21509- 2023 and other connected matters), decided on 29.07.2024.

3. Co-ordinate Bench of this Court in Jatinder Singh Bhangu's case (supra) and Jasjit Singh's case (supra), allowed the writ petitions on the same issue, as raised in the present writ petition, by granting liberty to the revenue to follow the procedure as laid down under the Act, 1961 and proceed accordingly, if so advised. Relevant portion of decision dated 19.07.2024 in Jatinder Singh Bhangu's case (supra) reads as under:- "15. From the perusal of Section 151A, it is quite evident that scheme of faceless assessment is applicable from the stage of show cause notice under Section 148 as well as 148A. Clause 3(b) of notification dated 29.03.2022 issued under Section 151A clearly provides that scheme would be applicable to notice under Section 148. Even otherwise, it is a settled proposition of law that assessment proceedings commence from the stage of issuance of show cause notice. The object of introduction of faceless assessment would be defeated if show cause notice under Section 148 is issued by Jurisdictional Assessing Officer. The respondents are heavily placing reliance upon office memorandum and letter issued by departmental authorities. It is axiomatic in tax jurisprudence that circulars, instructions and letters issued by Board or any other authority cannot override statutory provisions. The circulars are binding upon authorities and Courts are not bound by circulars. The mandate of Section 144B, 151A read with notification dated 29.03.2022 issued thereunder is quite lucid. There is no ambiguity in the language of statutory provisions, thus, office memorandum or any other instruction issued by Board or any other authority cannot be relied upon."

4. Learned counsel appearing for the respondent does not dispute that issue involved is covered in favour of petitioner in view of abovesaid decisions. It is further affirmed that assessment order in this matter has not yet been 2 of 3 ::: Downloaded on - 14-02-2026 00:38:15 ::: 3 CWP-1654-2026 passed. However, learned counsel for respondents submits that Revenue has filed Special Leave Petitions before Hon'ble the Supreme Court challenging decisions rendered by this High Court in Jatinder Singh Bhangu (supra) and Jasjit Singh's (supra) which are likely to come up for hearing within the next three weeks along with other connected matters. At the same time, it is fairly stated that there is no interim order staying operation of decision in Jatinder Singh Bhangu (supra) and Jasjit Singh's (supra). In view thereof, we do not find any justification in keeping the present matter pending.

5. Keeping in view facts and circumstances as above, present writ petition is disposed of in terms of Jatinder Singh Bhangu's case (supra), decided on 19.07.2024 and Jasjit Singh's case (supra), decided on 29.07.2024. Liberty is afforded to respondent-Department to take steps to revive the present writ petition in case decision in Jatinder Singh Bhangu (supra) and Jasjit Singh's (supra) is set aside by Hon'ble the Supreme Court qua the issue at hand. Needless to say, in such eventuality, writ petition once revived, would be decided on its own merits along with any other issue which may be involved.

6. All pending applications, if any, also stand disposed of accordingly. (LISA GILL) JUDGE (RAMESH CHANDER DIMRI) January 29, 2026 JUDGE Rts Whether speaking/reasoned: Yes/No Whether reportable: Yes/No 3 of 3 ::: Downloaded on - 14-02-2026 00:38:15 :::