HIGH COURT OF JUDICATURE FOR RAJASTHAN
BENCH AT JAIPUR

D.B. Civil Writ Petition No. 16679/2025

Anil Tambi S/o Ganga Ballabh Tambi, Aged About 55 Years, C-2A, Ganesh Kunj, Near Pital Factory, Tambi Petrol Pump, Bani Park, Jaipur

----Petitioner

Versus

1. Union Of India, Through The Secretary, Department Of Revenue, Ministry Of Finance, New Delhi.
2. The Assistant Commissioner Of Income Tax, Central Circle-4, Jaipur.
3. The Pr. Chief Commissioner Income Tax, New Central Revenue Building Statue Circle, C Scheme, Jaipur, Rajasthan.
4. National Faceless Assessment Centre (Nafac), New Delhi 11001 Through Principal Commissioner Of Income-Tax, Jaipur.

----Respondents

For Petitioner(s)	:	Mr. Pankaj Ghiya with Mr. Mayank Vyas & Mr. Nikhil Sharma
For Respondent(s)	:	Mr. Sarvesh Jain with Mr. Rahul Kumar & Ms. Tanushka Saxena on behalf of Mr. Siddharth Bapna

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HON'BLE THE ACTING CHIEF JUSTICE MR. SANJEEV PRAKASH SHARMA

HON'BLE MR. JUSTICE BALJINDER SINGH SANDHU

Order

12/11/2025

1. Both the learned counsel clearly state that the issue raised in the present writ petition stands finally adjudicated by a Co-ordinate Bench of this Court in **D.B. Civil Writ Petition No.11787/2024: Sharda Devi Chhajer & Anr. Vs The Income Tax Officer & Anr.** and other connected writ petitions decided on 19.03.2025, wherein the Co-ordinate Bench has held as under:

> *"18. This Court further observes that any jurisdictional error in the notices has to be cured and thus, the notices which have been issued for assessment and reassessment and which are the impugned notices under Section 148 of the Act of 1961, do not withstand the broader scheme of law, which requires automated*

allocation based on algorithm and random assignment of the assessing officer. Part 2(i)(a) of the Scheme clear demarcates as to how the assessment and reassessment has to take place.

19. This Court is conscious of the fact that any reform or change for betterment is always resisted by the persons in control, particularly those who do not visualize the pragmatic and progressive paths which require vision and wisdom. The legislature in its own vision and wisdom, for enhancing the efficiency of the taxation system by making it more transparent and impartial, decided to have infused technology in the shape of an algorithm for randomised allocations of cases, by using suitable technological tools, including artificial intelligence and machine learning, with a view to optimise the use of resources. The common tendency to cling to control and old methods has to be dealt with firmly and ways & means including loopholes to fall back upon the old regime of control is an imminent danger which has to be thwarted off. The legislative intention, legislative vision and legislative wisdom has to be given full meaning in terms of technology and progressiveness, and thus, once an effective and strong step has been taken towards faceless regime, then maintaining the strings of local control to the prejudice of a common man would not only undermine the legislative wisdom but the gains in terms of such a progressive and pragmatic step would stand to reduce. Once the gear of progress has been applied in a democratic set up, the same has to be strongly supported and sustained. The CBDT Circular read with Section 151A of the Act of 1961 has to be given full meaning and any ways & means to defeat the technology or to manually try to control the same would go against the legislative purpose.

20. Thus, this Court holds that the mandate of Section 151A of the Act of 1961 has to be strictly followed as there cannot be a way out of doing the same. This Court also holds that the JAO shall not have the jurisdiction to issue notices under Section 148 of the Act of 1961, as it would not only render Section 151A weak, but may also lead to its diminishing activation. For the purpose of assessment and reassessment under Sections 147, 148 & 148A and in light of the sanction under Section 151A, adherence has to be made to algorithm based random assessing system, and therefore, the impugned notices deserve to be quashed.

21. Consequently, the present writ petitions are allowed. Accordingly, the impugned Notices are quashed and set aside, as far as the jurisdiction of JAOs for the purpose of Sections 148 & 148A of the Act *of 1961 to issue the same is concerned. The question raised herein stands answered in the terms indicated above, with liberty to the respondents to issue fresh notices in compliance of the CBDT Notification dated 29.03.2022, by keeping the FAO as assessing officer.*

21.1 However, the time spent during the pendency of the present litigation in the Court, shall be excluded for the purpose of computing limitation for issuance of fresh notices, in case, need arises.

21.2 All pending applications stand disposed of."

2. One of us (Hon'ble Mr. Justice Sanjeev Prakash Sharma) while sitting at Punjab and Haryana High Court passed an order in **CWP No.21509/2023 titled as Jasjit Singh vs. Union of India & Ors**., decided on 29.07.2024, wherein it was held as under:

"16. We are in agreement with the view taken by the Coordinate Bench and hold that such circular or instructions by the Board could not have been issued to override statutory provisions or to make them otiose or obsolete. Legislative enactments having financial implications are required to be followed strictly and mandatorily. By exercising the powers contained in Sections 119 and 120 of the Act, 1961 as well as Section 144B (7 & 8), the authorities cannot be allowed to usurp the legal provisions to their own satisfaction and convenience causing hardship to the assessees. It also leaves confusion in the minds of the taxpayers. In the opinion of this Court, instructions and circulars can be issued only for the purpose of supplementing the statutory provisions and for their implementation.
17. In view of the aforesaid discussion, there is no occasion to distinguish or take a different view as suggested by the learned counsel for the revenue from what has already been held by the Coordinate Bench.
18. Keeping in view the law laid down by the Co-ordinate Bench(supra) notices issued by the JAO under Section 148 of the Act, 1961 and the proceedings initiated thereafter without conducting the faceless assessment as envisaged under Section 144B of the Act, 1961, have been found to be contrary to the provisions of the Act, 1961 and accordingly notices dated 28.02.2023, 16.03.2023, 20.03.2024 and 30.03.2023 and order dated 30.03.2023, are set aside for want of jurisdiction.

19. The respondents-revenue would be, however at liberty to follow the procedure as laid down under the Act, 1961 and proceed accordingly, if so advised.
20. All the writ petitions are allowed. The interim order passed by the Court shall stand merged with the present order.”

3. Learned counsel for the petitioner submits that the notice was illegally issued by the Jurisdictional Assessing Officer instead of Faceless Assessing Officer.

4. Admittedly, in this case, the final order was passed after the notice was issued by the Jurisdictional Assessing Officer. Although the faceless regime has been introduced. In view of the judgments passed in the cases of **Jasjit Singh (supra)** as well as **Sharda Devi Chhajer (supra)**, the proceedings could not have been initiated by the Jurisdictional Assessing Officer, nor the faceless regime could have later on passed orders. However, it is noticed that the appeal has been preferred against the final order and, therefore, it would not be appropriate for this Court to pass orders resulting in making the appeal redundant.

5. In these circumstances, we direct the petitioner to file an application before the concerned Commissioner of Income Tax (Appeal), who will take into consideration and pass appropriate orders accordingly within a period of 15 days following the judgment already rendered by this Court relating to quashing of the proceedings based on the notice issued by the Jurisdictional Assessing Officer.

6. The present Civil Writ Petition stands disposed of. All pending applications also stand disposed of accordingly.

(BALJINDER SINGH SANDHU),J (SANJEEV PRAKASH SHARMA),ACTING CJ

N.GANDHI/RAJAT/40