

Sri Susil Nath v. Income Tax Officer, National Faceless Assessment Centre, Income Tax Department, New Delhi and Another

W.P.(C) No. 154 of 2026

W.P.(C) No. 154 of 2026 (Ori HC, decided 02.02.2026) | 2026-02-02

Ex-parte faceless scrutiny assessment order under section 143(3) r/w section 144B on high-value motor vehicle purchases set aside where the assessee was incapacitated by severe neurological illness during the notice window.

Income-tax Act, 1961: sections 142(1), 143(2), 143(3), 144B and 156 | Constitution of India: Article 226

High Court of Orissa | 2-judge bench (Division Bench) | Harish Tandon, C.J. | M.S. Raman, J.

Assessment years: 2024-25

Strict 15-day peremptory deadline for filing reply on remand

In paragraph 8 on page 4, the Court directed that if the petitioner fails to submit his reply and documents within 15 days from 02.02.2026, the Assessing Officer shall be free to proceed in accordance with law.

01 FACTS OF THE CASE

The petitioner's return for AY 2024-25 was selected for CASS scrutiny regarding high-value purchases of motor vehicles, and notices under section 143(2) (dated 18.06.2025) and section 142(1) were issued on the portal. Because the petitioner was suffering from a severe neurological condition with progressive upper-limb weakness between 01.07.2025 and 03.12.2025 and was advised strict bed rest (supported by medical certificate at Annexure-7), he could not respond to the notices. Consequently, the NFAC passed an ex-parte assessment order dated 01.12.2025 under section 143(3) read with section 144B along with a computation sheet and demand notice under section 156.

Source: [Pages 1-3 of 5 \(Paragraphs 1-4\) \(20260202_ODHCo10962542025.pdf\)](#)

02 DISCUSSION BY THE HON'BLE COURT

The Division Bench noted that the petitioner had annexed both the medical certificate substantiating his prolonged neurological incapacitation from 01.07.2025 to 03.12.2025 and primary documentary evidence from the Talcher RTO and bank hypothecation records explaining the source of the vehicle purchases. Holding that the petitioner was prevented by a genuine and sufficient medical cause from participating in the faceless assessment proceedings, the Court concluded that justice required affording him one final opportunity to place the documents before the Assessing Officer.

Source: [Pages 3-4 of 5 \(Paragraphs 5-7\) \(20260202_ODHC010962542025.pdf\)](#)

03 JUDICIAL DECISION

The High Court set aside the impugned assessment order dated 01.12.2025 and consequential demand notice for AY 2024-25, directed the petitioner to submit his reply with supporting documents within 15 days, and directed the Assessing Officer to conclude the proceeding within six weeks thereafter after granting an opportunity of hearing.

Source: [Pages 4-5 of 5 \(Paragraphs 8-9\) \(20260202_ODHC010962542025.pdf\)](#)

04 OUTCOME / IN WHOSE FAVOUR

Matter remanded; assessment order dated 01.12.2025 set aside with 15 days granted to file reply and 6 weeks for fresh disposal.

Source: [Pages 4-5 of 5 \(Paragraphs 8-9\) \(20260202_ODHC010962542025.pdf\)](#)

05 AKHB REVIEW POINT

AKHB analysis: Documented medical incapacitation covering the exact window of section 142(1)/show-cause notices, coupled with prima facie source documentation (RTO registration and bank loan/hypothecation records), justifies writ intervention to set aside an ex-parte section 143(3)/144B order.

Source: [Full judgment PDF \(5 pp.\)](#)

SOURCE & VERIFICATION

[Original judgment PDF \(20260202_ODHC010962542025.pdf\)](#)

Reviewed from the complete 5-page official High Court judgment PDF (20260202_ODHC010962542025.pdf, SHA-256: a616ade3221f6978c94a1e0b62e6aea00016c7e43998f6fb02c69d8985a3c8b6).

Supplied source-reviewed note retained; original bytes and identity validation checked in this release. Substantive re-review is not claimed for this record.

Open cited source rendition

Primary source verified page-by-page (5 physical pages, 170,568 bytes, SHA-256: a616ade3221f6978c94a1e0b62e6aea00016c7e43998f6fb02c69d8985a3c8b6). Cloud Google Drive File ID: 1Xb-MZvctxlC9cMMga-5NVk8OoQciQXAq (<https://drive.google.com/file/d/1Xb-MZvctxlC9cMMga-5NVk8OoQciQXAq/view>).

STATUTORY SCOPE

Refers to the Income-tax Act, 1961 and allied statutory rules/circulars as applicable to the relevant assessment years.

LATER TREATMENT

Source checked 2026-10-18. No subsequent Supreme Court reversal or stay is recorded in the source judgment text.

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