

The New Face of Faceless Assessments!!

“Anonymity is the fame of the future.” - John Boyle O’ Reilly

1.1 FACELESS ASSESSMENTS: A PARADIGM SHIFT IN TAX ADMINISTRATION!!

Well Yes Friends, FACELESS ASSESSMENTS have become a REALITY now...

Our Hon’ble PM **Sh. Narendra Modi** has launched a new platform for **Transparent Taxation for ‘Honouring the Honest Taxpayers’**, coining three new terms viz. **Seamless, Painless & Faceless**, for showcasing the perceived changed nature of the tax administration in India. The thrust of this taxation platform is on **Faceless Assessments, Faceless Appeals and Taxpayers’ Charter**.

It may be recollected that on 7-10-2019, delivering on the promise made to taxpayers in the budget speech of the Hon’ble Finance Minister, the **‘E-Assessment Scheme, 2019’** contemplating within its fold, the use of artificial intelligence, machine learning, algorithm based automated allocation system, automated examination tool and risk management functionalities, has been launched by the Hon’ble Revenue Secretary, with the inauguration of the National e-Assessment Centre (NeAC) in New Delhi.

In the first phase, the Income-tax department has selected 58,319 cases of regular assessments u/s 143(3), for AY 2018-19, for scrutiny under the new ‘E-Assessment Scheme, 2019’, on pilot basis and the remaining regular assessment cases for AY 2018-19, were being conducted in the traditional manner by the jurisdictional assessing authorities via e-Proceedings functionality, in the e-filing portal of the Income-tax department.

However, as usual, our Hon’ble PM Sh. Narendra Modi, going by his well-known image of initiating bold reforms and inducting surprise element in his policy announcements, has extended the coverage of the ‘E-Assessment Scheme 2019’ (now being renamed as the ‘Faceless Assessment Scheme, 2019), to all the regular assessments u/s 143(3) for the AY 2018-19, and to best judgement assessments u/s 144, and further to all pending income escaping assessments u/s 147 of the Income Tax Act, 1961, as well, w.e.f. 13.8.2020.

The assessments being covered under the new Faceless Assessment Scheme, 2019, are more popularly being referred to as the **‘Faceless Assessments’** or the **‘Jurisdiction-less Assessments’**. Let us understand, why these assessments are being referred so.

(a) Faceless Assessments: These assessments are being referred to as **‘Faceless’** simply because the assessee will not get to see the face of his/her assessing officer or in other words, the assessee will not be able to know as to who will conduct his/her assessments. The Faceless Assessments, completely eliminate the physical interface between the assessee and the assessing authority and instead involves the electronic interface right from the selection of the cases for the scrutiny purpose with the help of **‘automated allocation system’** involving therein an algorithm for randomised allocation of cases, by using suitable technological tools, including artificial intelligence and machine learning, with a view to optimise the use of resources, and the conduct of assessments exclusively in electronic mode via the **‘e-Proceedings’** utility of the e-Filing portal of Income-tax department’s website, and finally the review and examination of the assessment orders using **‘automated examination tool’** involving therein an algorithm for standardised examination of draft assessment orders, by using suitable technological tools, including artificial intelligence and machine learning, with a view to reduce the scope of discretion.

(b) Jurisdiction-less Assessments: These assessments are being referred to as **‘Jurisdiction-less’** because these are conducted by a Team/Group of Expert IT Officers at multiple-level assessment units viz. National e-Assessment Centre (NeAC), Regional e-Assessment Centre (ReAC), Verification Unit,

Technical Unit and Review Unit, and shall not be conducted by an individual jurisdictional Assessing Officer. The cases shall be assigned by NeAC to an assessment unit in any ReAC based on 'automated allocation system' involving therein an algorithm for randomised allocation of cases, by using suitable technological tools, including artificial intelligence and machine learning and as such shall be location agnostic.

CBDT vide its Gazetted Notification S.O. 2745 dated 13.8.2020, have amended the "E-Assessment Scheme 2019", to provide that w.e.f. 13.8.2020, the "E-Assessment Scheme 2019", shall be termed as "Faceless Assessment Scheme 2019", and all E-Assessments shall be conducted as Faceless Assessments.

Further, CBDT vide its Order u/s 119 of the Income Tax Act bearing F.No. 187/3/2020-ITA-I, dated 13.8.2020, have directed that in order to ensure that all assessment orders are passed through Faceless Assessment Scheme 2019, all the assessment orders shall hereafter be passed by National e-Assessment Centre (NeAC), through the Faceless Assessment Scheme 2019.

However, two exceptions have been provided and these are:

(i) Assessment orders in cases assigned to Central Charges (Block Assessment Cases u/s 153A/153C);

(ii) Assessment Orders in cases assigned to International Tax Charges.

It has also been stipulated in the CBDT order that any assessment order which is not in conformity with the Faceless Assessment Scheme 2019, shall be treated as non-est and shall be deemed to have never been passed.

1.2 DIFFERENCE BETWEEN OLD E-ASSESSMENT SCHEME, 2019 & NEW FACELESS ASSESSMENT SCHEME, 2019

Consequent to the announcement of the new platform for transparent taxation by our Hon'ble PM, the Central Board of Direct Taxes (CBDT), in exercise of the powers conferred by section 143(3A) of the Income Tax Act, 1961, has issued its Gazetted Notification dated 13.8.2020, bearing F.No. S.O. 2745 (E), making certain crucial and significant amendments in the E-Assessment Scheme, 2019, notified by its earlier Gazetted Notification dated 12.9.2020, bearing F.No. S.O. 3264 (E).

Inspite of the much hype and hoopla doing the rounds in the media channels and newspapers, concerning the new taxation platform launched by our Hon'ble PM, *ironically, the practicalities and nuances of these notified amendments in the E-Assessment Scheme, 2019*, by CBDT, have been somehow, overlooked and ignored in the Tax Circles and by the assesseees and taxpayers. So, for the ready reference of the worthy readers, the exact nature, significance and implications of these amendments in *the E-Assessment Scheme, 2019*, as notified by CBDT, are being discussed and analysed as under:

S. No.	Parameters	Old E-Assessment Scheme, 2019	New Faceless Assessment Scheme, 2019
1.	Nomenclature	E-Assessment Scheme, 2019	Faceless Assessment Scheme, 2019
2.	CBDT Notification	S.O. 3264 (E), dated 12.9.2019	S.O. 2745 (E), dated 13.8.2020

S. No.	Parameters	Old E-Assessment Scheme, 2019	New Faceless Assessment Scheme, 2019
1.	Applicability	58,319 Regular Assessments under section 143(3), for AY 2018-19, selected on pilot basis.	(i) All Regular Assessments under section 143(3), for AY 2018-19; (ii) All pending Income Escaping Assessments /Reassessments under section 147, as on 13.8.2020; (iii) Best Judgement Assessments u/s 144.
3.	Applicability of Income Tax Rules, 1962	No specific mention of applicability.	Applicable to the Faceless Assessment Scheme 2019.
4.	Enlargement in Function of Technical Unit (TU)	Technical assistance on legal, accounting, forensic, information technology, valuation, transfer pricing, data analytics, management or other technical matters.	Technical assistance on audit in addition to legal, accounting, forensic, information technology, valuation, transfer pricing, data analytics, management or other technical matters.
5.	Enlargement in Scope & Coverage	E-Assessment Scheme 2019, covered only 58,399 regular assessments u/s 143(3), for AY 2018-19, on pilot basis.	By virtue of insertion of new clause (iii) in para 5. <i>Procedure for assessment</i> , the undermentioned cases are now being covered in Faceless Assessment Scheme, 2019, “where the assessee – (a) has furnished his return of income under section 139 or in response to a notice issued under subsection (1) of 142 or sub-section (1) of section 148; and a notice under sub-section (2) of section 143 has been issued by the Assessing Officer or the prescribed income-tax authority, as the case may be; or (b) has not furnished his return of income in response to a notice issued under sub-section (1) of section 142 by the Assessing Officer; or (c) has not furnished his return of income under sub-section (1) of section 148 and a notice under subsection (1) of section 142 has been issued by the Assessing Officer.
6.	Enabling Provision for undertaking Best Judgement Assessment/Exparte Assessment u/s 144 of the Income Tax Act, 1961.	There was no enabling provision in the E-Assessment Scheme, 2019, for undertaking best judgement assessment/exparte assessment u/s 144, in the situations of the failure of the assessee in responding to the scrutiny notices u/s 143(2)	An enabling provision has been specifically inserted in the new Faceless Assessment Scheme, 2019, for undertaking best judgement assessment/exparte assessment u/s 144, in the situations of the failure of the assessee in responding to the scrutiny notices u/s 143(2) or 142(1), or with a direction issued u/s 142(2A).

S. No.	Parameters	Old E-Assessment Scheme, 2019	New Faceless Assessment Scheme, 2019
		or 142(1), or with a direction issued u/s 142(2A).	
7.	Jurisdictional Unit for drafting Revised Draft Assessment Order	In the old E-Assessment Scheme, 2019, the Revised Draft Assessment Order, incorporating the suggested modifications by the Review Unit (RU), was also being prepared by the same Regional Assessment Unit (ReAC), which has prepared the original draft assessment order.	In the new Faceless Assessment Scheme, 2019, the Revised Draft Assessment Order, incorporating the suggested modifications by the Review Unit (RU), is to be prepared by a new Regional Assessment Unit (ReAC), selected by National e-Assessment Centre (NeAC) on random allocation basis, and not by the old ReAC, which has prepared the original draft assessment order. So, now, in the new scheme, two different ReACs may prepare the draft assessment orders.
8.	Power to Transfer Assessment Cases to the Jurisdictional Assessing Officer	In the old E-Assessment Scheme, 2019, the power to transfer assessment cases to the jurisdictional assessing officers, lies solely with the National e-Assessment Centre (NeAC).	In the new Faceless Assessment Scheme, 2019, the Principal Chief Commissioner or Principal Director General, NeAC, is authorised to transfer certain assessment cases to the jurisdictional assessing officers, only after getting the prior approval of the Board (CBDT). The situations and circumstances in which NeAC may transfer the assessment cases to the jurisdictional assessing officers, with the prior approval of CBDT, are yet to be notified by CBDT.
9.	Right of Personal Hearing by the Assessee	In the old E-Assessment Scheme, 2019, by virtue of a right vested in the scheme, the assessee was entitled to personal hearing, by way of video conferencing/telephony, in case of disagreement with the additions/disallowances proposed in the draft assessment order, in all assessment cases.	In the new Faceless Assessment Scheme, 2019, the assessee is not having any 'by-default' right of personal hearing and the assessee may only request for a personal hearing by way of video conferencing/telephony, in case of disagreement with the additions/disallowances proposed in the draft assessment order. The Chief Commissioner or the Director General, ReAC, may approve such request for personal hearing, if he is of the opinion that the case falls in the list of specified circumstances as notified by CBDT. The circumstances where the request of the assessee for personal hearing via video conferencing may be approved are yet to be notified by CBDT.
10.	Mode of Communications between the assessee and NeAC, ReAC, Technical Unit, Verification Unit and Review Unit	In the old E-Assessment Scheme, 2019, all communications between the assessee, NeAC, ReAC, Technical Unit, Verification Unit and Review Unit, were to be exchanged exclusively by electronic mode.	In the new Faceless Assessment Scheme, 2019, all communications between the assessee, NeAC, ReAC, Technical Unit and Review Unit, shall be exchanged exclusively by electronic mode. However, in the cases of enquiry or verification being conducted by the Verification Unit, in certain specified circumstances, yet to be notified by CBDT, the conventional means of

S. No.	Parameters	Old E-Assessment Scheme, 2019	New Faceless Assessment Scheme, 2019
			communication, i.e. physical interface may be adopted.
11.	Authentication of Electronic Record	In the old E-Assessment Scheme, 2019, the authentication/signing of the electronic record was to be done by affixing the digital signature, both by the assessee and the assessing authority i.e. NeAC.	In the new, Faceless Assessment Scheme, 2019, the authentication/signing of the electronic record has to be done by NeAC by affixing its digital signature, and the assessee shall authenticate the electronic record by affixing his/her digital signature, in cases where the assessee is required under the Rules to furnish his/her return of income under digital signature and in any other cases, either by affixing digital signature or under the electronic verification code.
12.	Power to specify format, mode, procedure and processes	In the old E-Assessment Scheme, 2019, the Principal Chief Commissioner or the Principal Director General, NeAC, were vested with the power to specify format, mode, procedure and processes under the Scheme.	In the new, Faceless Assessment Scheme, 2019, the Principal Chief Commissioner or the Principal Director General, NeAC, are authorised to specify format, mode, procedure and processes under the Scheme, only with the prior approval of the Board (CBDT).

1.3 DIFFERENCE BETWEEN TRADITIONAL E-PROCEEDINGS ASSESSMENTS & NEW FACELESS ASSESSMENTS

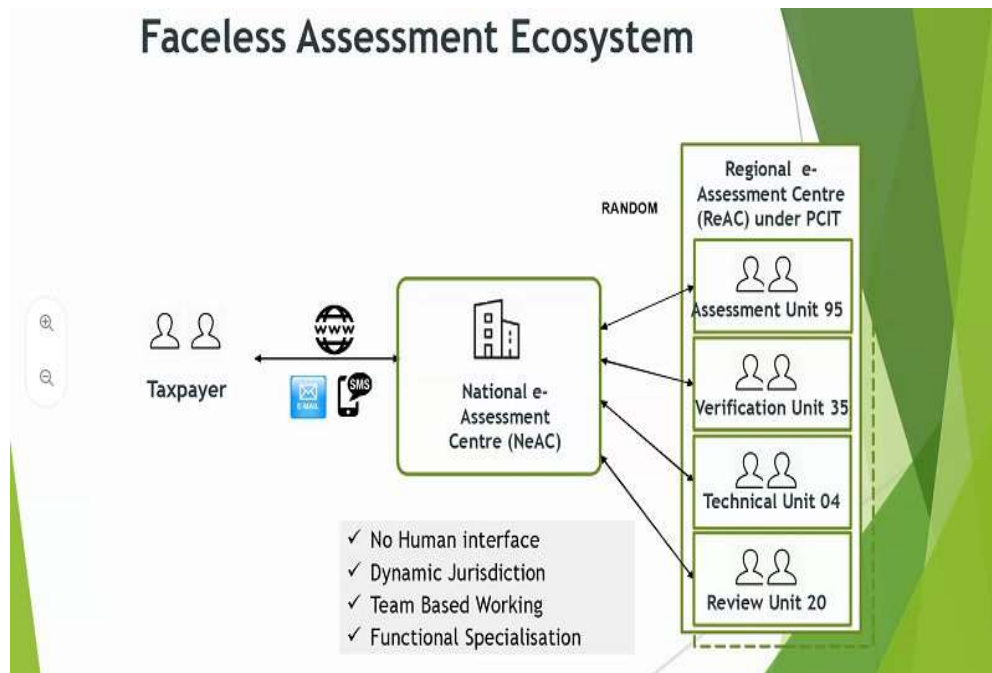
In para 1.2 above, we have analysed and understood the points of distinction between the Old E-Assessment Scheme, 2019 and the New Faceless Assessment Scheme, 2019. However, for better and clear understanding of the worthy readers, it is also essential and desirable to know the distinction between the traditional e-assessments conducted via e-Proceedings functionality of the e-Filing portal of the Income-tax department and the new faceless assessments being conducted under the Faceless Assessment Scheme, 2019. Thus, for ready reference, these points of distinction are being tabulated as under:

S. No.	Particulars	Conventional Assessments via e-Proceedings	Faceless Assessments under Faceless Assessment Scheme, 2019
1.	Applicability	Regular Assessments under section 143(3)	(i) Regular Assessments under section 143(3); (ii) Reassessments under section 147; (iii) Best Judgement Assessments u/s 144.
2.	Assessment Year	Till AY 2017-18	From AY 2018-19 onwards for All Regular Assessments and w.e.f. 13.8.2020, for all pending Re-Assessments.

S. No.	Particulars	Conventional Assessments via e-Proceedings	Faceless Assessments under Faceless Assessment Scheme, 2019
3.	Assessing Authority	Jurisdictional Assessing Officer	National e-Assessment Centre (NeAC)
4.	Notice under section 143(2) Issuing Authority	Jurisdictional Assessing Officer	National e-Assessment Centre (NeAC)
5.	Reply Period of Notice under section 143(2)	As specified in the Notice under section 143(2)	Within 15 days from the date of receipt of such Notice under section 143(2)
6.	Assignment of Case	Jurisdictional Assessing Officer	The NeAC assigns the case to a specific assessment unit in any one Regional e-Assessment Centre through an automated allocation system.
7.	Inquiries during the course of assessment proceedings	Jurisdictional Assessing Officer Issues Notices/Questionnaires under section 142(1) of the Act.	The NeAC may issue appropriate notice or requisition u/s 142(1), to the assessee for obtaining any further information, documents or evidence as required by the assessment unit in the Regional e-Assessment Centre, to which the case has been assigned by the NeAC.
8.	Provision of Draft Assessment Order	Only applicable in the Cases of References to Transfer Pricing Officers (TPO) resulting in Variation and Foreign Companies passed by the Jurisdictional Assessing Officers	Applicable in all assessments under section 143(3) of the Act. Draft Assessment Orders are passed by the assessment unit in the Regional e-Assessment Centre, to which the case has been assigned by the NeAC.
9.	Action on Draft Assessment Order	Not Applicable	<p>The NeAC shall examine the draft assessment order in accordance with the risk management strategy specified by the Board, including by way of an automated examination tool, whereupon it may decide to:</p> <p>(a) finalise the assessment as per the draft assessment order and serve a copy of such order and notice for initiating penalty proceedings, if any, to the assessee, along with the demand notice, specifying the sum payable by, or refund of any amount due to, the assessee on the basis of such assessment; or</p> <p>(b) provide an opportunity to the assessee, in case a modification is proposed, by serving a notice calling upon him to show cause as to why the assessment should not be completed as per the draft assessment order; or</p>

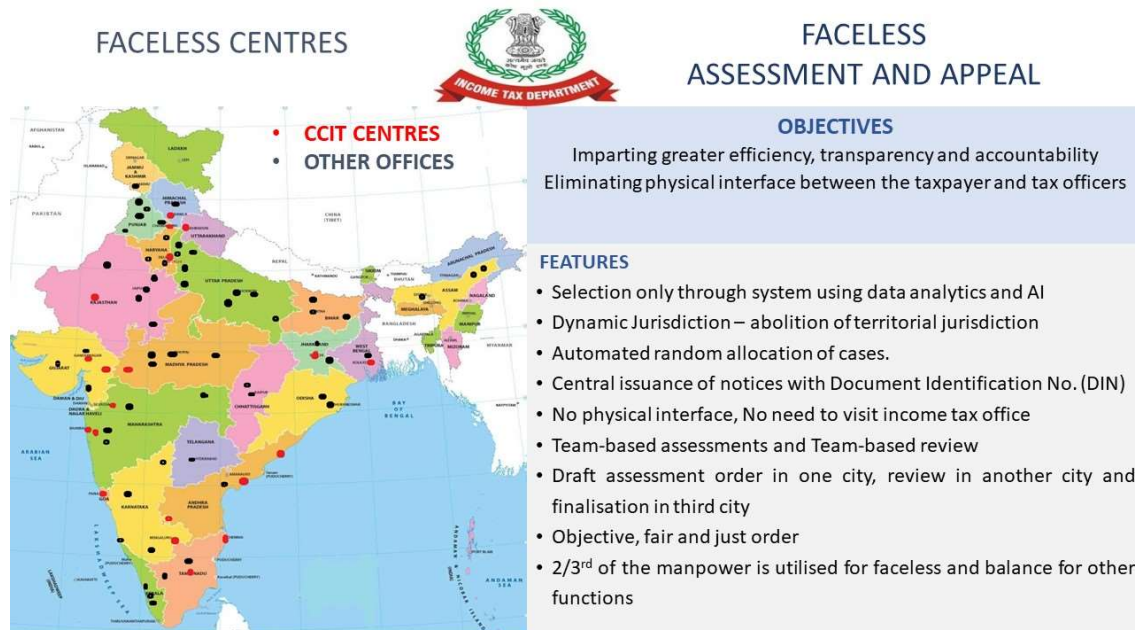
S. No.	Particulars	Conventional Assessments via e-Proceedings	Faceless Assessments under Faceless Assessment Scheme, 2019
			(c) assign the draft assessment order to a review unit in any one Regional e-Assessment Centre, through an automated allocation system, for conducting review of such order.
10.	Final Assessment Order	Passed by the Jurisdictional Assessing Officer after considering the written and verbal submissions of the assessee.	The NeAC sends all the e-replies and submissions of the assessee containing the justification for revision of the draft assessment order to the regional assessment unit for revision of the draft assessment order.
			<p>In the cases, where no objections are filed by the assessee, the NeAC finalises the assessment based on the Draft Order only.</p> <p>Upon receiving the Revised Draft Assessment Order, the NeAC may:</p> <p>(i) in case no modification prejudicial to the interest of the assessee is proposed, finalise the assessment based on such revised draft assessment order; or</p> <p>(ii) in case modification prejudicial to the interest of the assessee is proposed, an opportunity of personal hearing by way of video telephony only may be provided to the assessee, and based on the response of the assessee, the same procedure of revision and finalization is to be followed and Final Assessment Order is then passed by the NeAC.</p>
11.	Mode of Interface between the Assessee and the Assessing Authority	Electronic Mode via the 'e-Proceedings' functionality in the ITBA Module. However, after serving the Show Cause Notice, an opportunity of Personal Hearing to the assessee involving physical interface between the assessee and the jurisdictional AO is to be provided. However, practically there was no bar on physical interface between the assessee and the jurisdictional assessing officer.	Electronic Mode via the 'e-Proceedings' functionality in the ITBA Module. However, after serving the Show Cause Notice, an opportunity of Personal Hearing to the assessee via video telephony only may be provided to the assessee in certain specified circumstances

1.4 The Functional Classification of the different Assessment Units in the new 'Faceless Assessment Scheme, 2019 Ecosystem' is presented as under:



Source: Income Tax Department

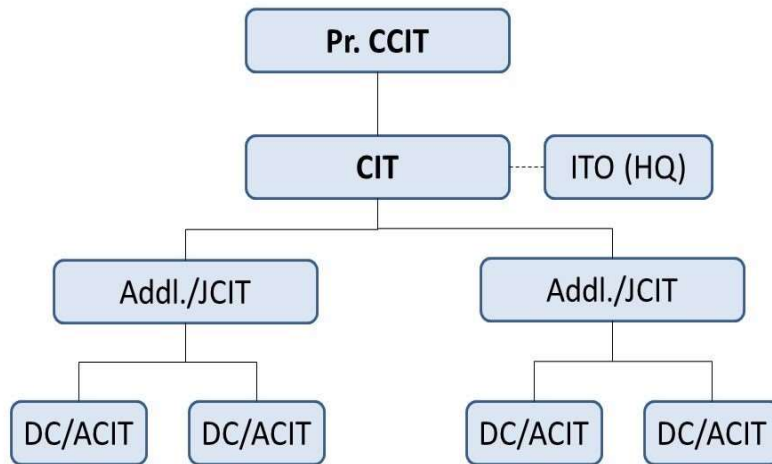
Faceless Assessment Scheme, 2019: PAN India Presence



Source: Income Tax Department

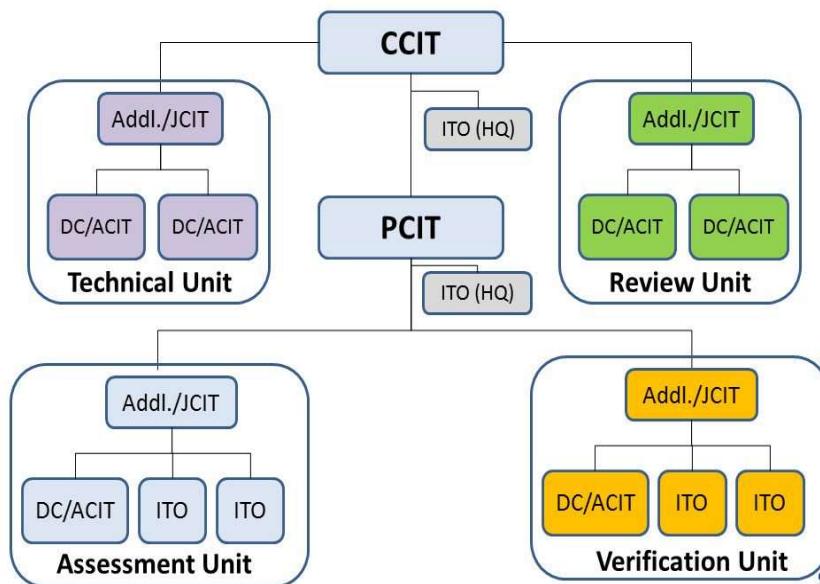
Faceless Assessment Scheme, 2019: Organisational Structure

National e-Assessment Center (NeAC) Delhi



Source: Income Tax Department

Regional e-Assessment Centers (ReAC)

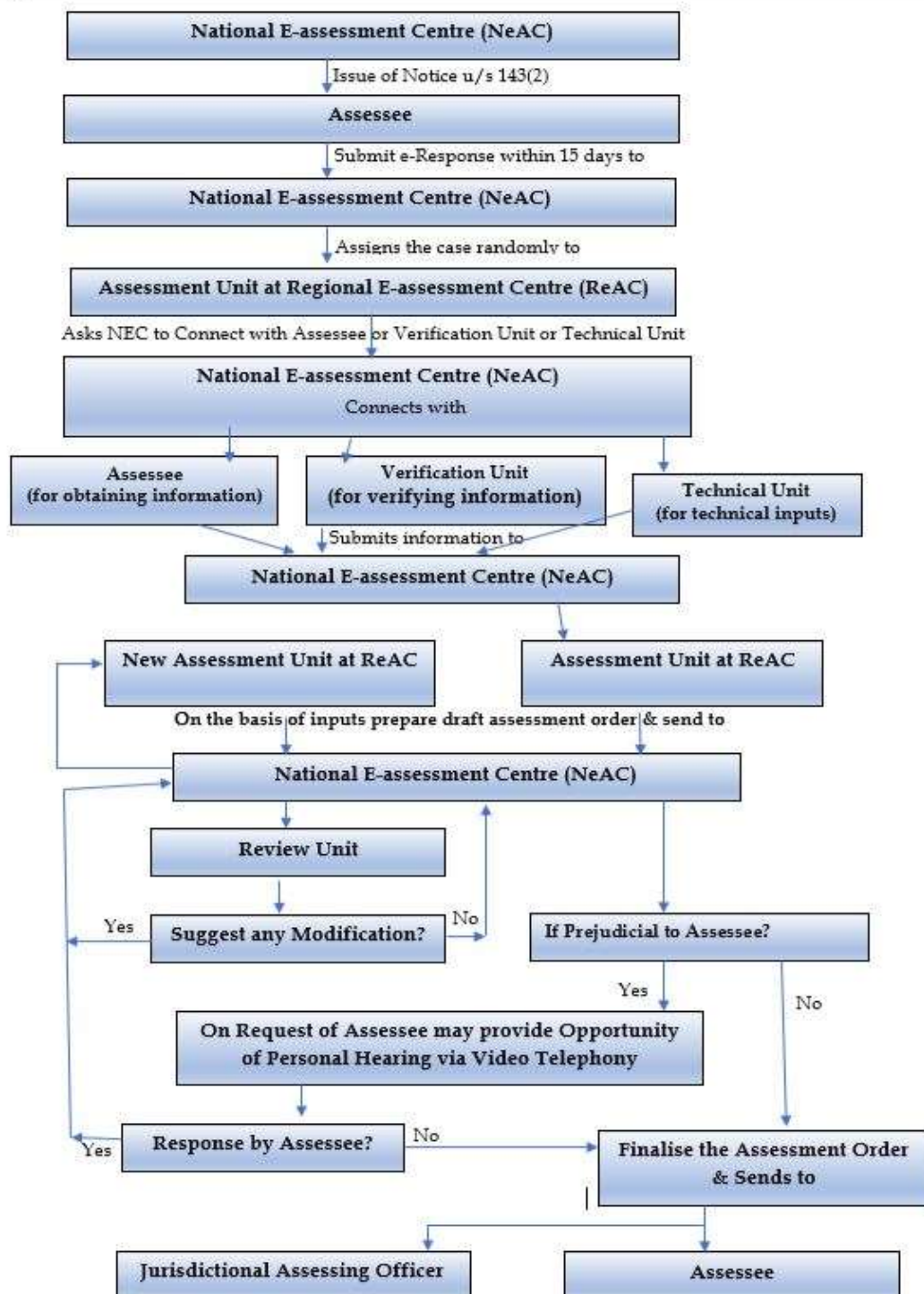


Source: Income Tax Department

1.5 PROCEDURE FOR FACELESS ASSESSMENTS

For easy and better understanding of the worthy readers, the above stated procedure of 'Faceless Assessments proceedings as per the new 'Faceless Assessment Scheme, 2019' is being explained diagrammatically as under:

Diagrammatic Presentation of Faceless Assessment Scheme, 2019



1.6 PRACTICAL CASE STUDY ON FACELESS ASSESSMENT U/S 143(3) ON THE ISSUE OF ACCOUNTING FOR REVENUE RECOGNITION & EXPENDITURE BOOKING IN REAL ESTATE BUSINESS

The issue of revenue recognition and expenditure booking in real estate business of the assessee is also a common scrutiny criterion under CASS.

There are two acceptable methods of accounting for Revenue Recognition & Expenditure Booking in Real Estate Business:

- (i) Percentage of Completion Method: Under this method the revenue and expenditure of the real estate project are booked in proportion to the completion of such real estate project.
- (ii) Completed Contract Method: Under this method the revenue and expenditure of the real estate project are booked only after the completion of such real estate project.

The Income Computation & Disclosure Standard (ICDS) stipulates adoption of 'Percentage of Completion Method' for revenue recognition and expenditure booking in real estate business and as such the Revenue Authorities always insist on adoption of this particular method only in the Books of Account of the assessee.

However, there are a catena of judgments of the Hon'ble High Courts, wherein the 'Completed Contract Method' for revenue recognition and expenditure booking in real estate business has also been held as acceptable method subject to the condition of consistency in the manner of adoption of this method by the assessee.

One such real time scrutiny case concerning the 'Percentage of Completion' method in the real estate business of the assessee is being discussed and demonstrated as under:

Step 1: Visiting the 'e-filing portal' in Income Tax site:

The assessee is required to visit the 'e-filing portal' in the Income Tax site by visiting the link: <https://www.incometaxindiaefiling.gov.in/home>

The assessee is required to click on '**Login Here**' tab under the tab '**Registered User**' located on the right side of the screen.

The screenshot shows the homepage of the Income Tax e-filing portal. The URL bar at the top indicates the address: [incometaxindiaefiling.gov.in/home](https://www.incometaxindiaefiling.gov.in/home). The page layout includes a header with navigation links (About Us, Feedback, Accessibility Options, Contact Us, e-Nivaran, Help) and a search bar. The main content area is divided into several sections:

- Left Sidebar:** Contains links for 'List of Income Tax Return and Forms available for e-Filing', 'Tax Information and Services', and 'e-Filing Brochures'.
- Center Banner:** A large purple banner with the text 'NO MORE FEE. GET YOUR PAN INSTANTLY' and an 'APPLY NOW' button.
- Right Sidebar:** Contains a 'New To e-Filing?' section with a 'Register Yourself' button, a 'Registered User' section with a 'Login Here' button (highlighted with a red circle), and a 'Forgot Password?' section with a 'Reset' button.
- Quick Links:** A list of links including 'File DT/VS Form', 'Instant PAN through Aadhaar', 'Tax Calculator FY 2020-21', 'Link Aadhaar', 'e-Pay Tax | Challans', 'e-Verify Return', 'View Form 26AS(Tax Credit)', 'Outstanding Demand', 'ITR Status', 'Know Your TAN | AO', 'Verify Your PAN Details', 'Tax Calendar', 'Check Refund Dispatch Status', and 'Verification of applicability u/s 194N'.
- News & Updates:** A section with dates and news items, including '14/08/2020' regarding PAN verification and '31/07/2020' regarding ITR filing.
- Download:** A list of downloadable forms and documents, including 'IT Return Preparation Software', 'Other Forms Preparation Software', 'DSC Management Software', 'e-Filing FAQs on DT/VS Forms', 'FAQs on Return Filing', and 'ITR Notified Forms AY 2020-21'.
- How to?:** A section with links for 'Scan the Supporting Documents', 'e-Verify Return', 'Reset Password', 'Update PAN/Aadhaar Details', and 'Report Account Misuse'.
- Statistics:** A table showing the number of registered users and the status of their PAN/Aadhaar linkage.

Category	Count
Individual Registered Users	88413272
Registered and Aadhaar Linked	13035608
Not-Registered but Aadhaar Linked	39894326

Step 2: Login to the 'e-filing portal' in Income Tax site:

The assessee needs to fill in his '**user id**' which is his '**PAN**' along with the '**password**' and '**captcha code**'. After filling in all the details, the '**Login**' button is to be clicked.

The screenshot shows the e-Filing login page. The header includes the e-Filing logo and navigation links. The login form has fields for User ID, Password, and Captcha Code. The Captcha Code is 4YP775. There is a 'Login' button and a 'Forgot Password?' link. A red circle highlights the User ID, Password, and Captcha Code fields. Another red circle highlights the 'Login' button.

Step 3: Visiting 'e-Proceedings' tab:


After logging in, the assessee needs to select '**e-Proceedings**' hyperlink from under the '**e-Proceeding**' tab.

The screenshot shows the e-Filing dashboard. The 'e-Proceedings' tab is highlighted with a red circle. The dashboard includes sections for 'Filing of Income Tax Return', 'View Returns / Forms', and 'e-Verify Return Data of Previous Years'. There is also an 'IMPORTANT !!!' section with a message about updating contact details.

The assessee is redirected to a new page and this new page displays all the '**assessment notices**' under section **143(1)(a)/143(2)/148**, for different assessment years, which the assessee might have received, along with the under mentioned information:

- ◆ PAN,
- ◆ Assessment Year,
- ◆ Proceeding Name,

- ◆ Option for e-Proceeding,
- ◆ Proceeding Status,
- ◆ Proceeding Limitation Date,
- ◆ Proceeding Closure Date, and
- ◆ Action.


e-Filing *Anywhere Anytime*
 Income Tax Department, Government of India

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 Idle Session Timer **1 4 : 1 3**

[Dashboard](#) [My Account](#) [e-File](#) [e-Proceeding](#) [e-Nivaran](#) [Compliance](#) [Worklist](#) [Profile Settings](#)

e-Proceedings


PAN	Assessment Year	Proceeding Name	Opt for e-Proceeding	Proceeding Status	Proceeding Limitation Date	Proceeding Closure Date	Action
AAACA1234H	2018-19	Adjustment u/s 143(1)(a)	YES	Submitted	-	-	-
AAACA1234H	2018-19	Adjustment u/s 143(1)(a)	YES	Open	-	-	-
AAACA1234H	2017-18	Assessment Proceeding u/s 143(3)	YES	Open	31/12/2019	-	-
AAACA1234H	2018-19	Assessment Proceeding u/s 143(3)	YES	Open	30/09/2020	-	-

Note :

- Please note that even if you select No, all selected Notices and Letters will be available for viewing. However, option to submit response through e-Filing shall not be available.
- Please click on the **Proceeding Name** hyperlink to view the Proceeding Details
- In case of PAN users Assessment Year is taken into consideration. In case of TAN users Financial Year is taken into consideration.

Step 4: Click 'Assessment Proceedings under section 143(3)' hyperlink:

To view the regular assessment proceeding details under section 143(3), the assessee needs to click on the **hyperlink 'Assessment Proceeding under section 143(3)'**, which is available under the tab **'Proceeding Name'**.


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e-Proceedings

PAN	Assessment Year	Proceeding Name	Opt for e-Proceeding	Proceeding Status	Proceeding Limitation Date	Proceeding Closure Date	Action
AAACA1234H	2018-19	Adjustment u/s 143(1)(a)	YES	Submitted	-	-	-
AAACA1234H	2018-19	Adjustment u/s 143(1)(a)	YES	Open	-	-	-
AAACA1234H	2017-18	Assessment Proceeding u/s 143(3)	YES	Open	31/12/2019	-	-
AAACA1234H	2018-19	Assessment Proceeding u/s 143(3)	YES	Open	30/09/2020	-	-

Note :

- Please note that even if you select No, all selected Notices and Letters will be available for viewing. However, option to submit response through e-Filing shall not be available.
- Please click on the **Proceeding Name** hyperlink to view the Proceeding Details
- In case of PAN users Assessment Year is taken into consideration. In case of TAN users Financial Year is taken into consideration.

By clicking on hyperlink **'Assessment Proceeding under section 143(3)'**, the assessee will be able to see the assessment proceeding details of that particular assessment year such as:

- ◆ Notice/Communication reference Id
- ◆ The section under which the notice is issued

- ◆ Date of issue
- ◆ Date of serving the notice
- ◆ The due date for response
- ◆ Response.

Step 5: Selecting the Notice under section 143(2) to Respond:

In order to see the details of any particular scrutiny notice under section 143(2), the assessee needs to click on the **hyperlink** under the tab '**Notice/Communication reference Id**'.

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Dashboard My Account e-File e-Proceeding e-Nivaran Compliance Worklist Profile Settings

e-Proceedings

PAN - AAACA1234H
Assessment Year - 2018-19
Proceeding Name - Assessment Proceeding u/s 143(3)

Notice/Communication reference ID	Notice u/s	Description	Issued On	Document ID	Served On	Response Due date	Response	Response viewed by AO on
10000003100933	143(2)	[ITBA]Notice under section 143(2) of the Income Tax Act, 1961	22.09.2019	ITBA/AST/S/143(2)/2018-19/1011311328(1)	-	07.10.2019	Submit View	-
100000030373111	142(1)	[ITBA]Notice u/s 142(1) of Income Tax Act 1961.	10.02.2020	ITBA/AST/F/142(1)/2019-20/1017215776(1)	-	19.02.2020	Submit View	-
100000031227460	142(1)	[ITBA]Notice u/s 142(1) of Income Tax Act 1961.	12.08.2020	ITBA/AST/F/142(1)/2019-20/1017664414(1)	-	21.08.2020	Submit	-

[Back](#)

Note :

1. Please click on the **Reference ID** hyperlink to view the Notice Details.
2. In order to submit the response click on the **Submit** hyperlink under Response Column.
3. To View the details of submitted Response, please click on **View** hyperlink.
4. u/s - under section

Step 6: Downloading the 'Scrutiny Assessment Notice' under section 143(2):

By clicking on the **hyperlink** under the tab '**Notice/Communication Reference ID**', the assessee will be able to see a '**computer generated communication**' containing the details of the scrutiny notice issued by the Assessing Officer:

The assessee is required to click on the '**pdf hyperlink**' given at the bottom of the page to download the scrutiny notice.

Communications Details - 10000003100933

Notice /Letter pdf **Notice Issue Date-** 22/09/2020
30565640||36301408_ AAACA1234H _Notice us 143(2)_1018388359(1)_ 22092019 pdf

Date:
From: donotreply@incometax.gov.in
To: taxation@abccompany.com
Cc:
Subject: [ITBA]Notice u/s 143(2) of Income Tax Act 1961.

Dear ABC PRIVATE LIMITED,

Please find attached the the Notice u/s 143(2) for PAN: AAACA1234H and AY: 2018-19.

Please quote your PAN in all future correspondences.

Note:

- This communication is computer generated and may not contain signature. ;
- This communication may be treated as compliant with the requirements of Income Tax Rules 127 and 127A.
- Signed copy may be sent separately if not already digitally signed.
- Please quote your PAN in all communications.
- Income Tax Department does not seek any taxpayer information like user name, password, details of ATM, credit cards, etc. Taxpayers are advised not to part with such information on the basis of emails.

Note :

1. Please click on the **Notice/Letter PDF** to download the notice details.

After downloading the scrutiny notice by clicking on the '[pdf hyperlink](#)', the assessee can view the scrutiny notice sent by the AO.

Under the New Faceless Assessment Scheme, 2019, the Notice under section 143(2) of the Act is not issued by the jurisdictional Assessing Officer of the assessee but by the National e-Assessment Centre (NeAC).

The downloaded real time Notice issued under section 143(2) of the Act as per Computer Aided Scrutiny Selection (CASS) looks like as under:



भारत सरकार/ **GOVERNMENT OF INDIA**
वित्त मंत्रालय/ **MINISTRY OF FINANCE**
आयकर विभाग/ **INCOME TAX DEPARTMENT**
कार्यालय / **OFFICE OF THE**
राष्ट्रीय ई-निर्धारण केन्द्र(राईनिके) / **National e-Assessment Centre (NeAC)**

सेवा में/ To, ABC PRIVATE LIMITED XYZ NAGAR NEW DELHI-11XXXX INDIA			
स्थायी लेखा संख्या/ PAN: AAACA1234H	निर्धारण वर्ष/ AY: 2018-19	नोटिस संख्या / Notice No.: ITBA/AST/S/143(2)/2019- 20/1018157 347(1)	दिनांक/ Dated: 22/09/2019

आयकर नियम 1962 के नियम 12 इ के साथ पठित आयकर अधिनियम 1961 की धारा 143 (2) के अधीन नोटिस
Notice under section 143(2) of the Income-tax Act, 1961 read with Rule 12 E of Income Tax Rules, 1962

संवीक्षा (जांच) (कंप्यूटर आधारित संवीक्षा चयन)
Scrutiny (Computer Aided Scrutiny Selection)

प्रिय करदाता,
Dear Taxpayer,

आपके द्वारा निर्धारण वर्ष 2018-19 के लिए दिनांक. 31/10/2018 को पावती सं. 363073501311018 के तहत आयकर विवरणी दाखिल करने के लिए आपको धन्यवाद।
Thank you for filing your return of income for Assessment Year 2018-19 vide Ack. no. 363073501311018 on 31/10/2018.

2. विवरणिका को तैयार करने में आपके ध्यान एवं परिश्रम को स्वीकार करते हुए, कुछ मुद्दों पर और स्पष्टीकरण की आवश्यकता है, जिनके कारण आपकी आय विवरणिका को संवीक्षा (जांच) के लिए चुना गया है, ये मुद्दे प्रारंभ में निम्नानुसार हैं:
2. While acknowledging the care and diligence you may have taken in preparing the return, there are certain issues which need further clarification, for which your return of Income has been selected for scrutiny and such issues initially are as under:

- | S. No. | Issues |
|--------|---|
| (i) | Income from Real Estate Business |
| (ii) | Unsecured Loans |

3. उपरोक्त को ध्यान में रखते हुए उल्लेखित मुद्दों के उत्तर आप संबंधित दस्तावेजों (यदि कोई हो) सहित निर्धारण अधिकारी को 'ई-कार्यवाही' सुविधा में अपने ई-फाइलिंग वेबसाइट खाते के जरिए (www.incometaxindiaefiling.gov.in) अपनी सुविधानुसार, दिनांक 07/10/2019 तक या उससे पहले इलेक्ट्रॉनिक माध्यम से प्रस्तुत कर दें।
3. In view of the above, you may submit your response with supporting documents (if any) on the above mentioned issues to the Assessing Officer electronically in 'e-Proceedings' facility through your

Note: If digitally signed, the date of digital signature may be taken as date of document.

1. The Notice/Letter/Order No. mentioned above may be treated as DIN for the purpose of procedure for issuance of Income Tax Notice prescribed by Circular No.19/2019 dt. 14 August 2019.
2. This notice u/s 143(2) is issued by the Prescribed Income-tax Authority u/s 143(2) of the IT Act, 1961 notified by the CBDT vide notification No. 65/2019 dated 13 September 2019. This office does not have a physical address.

account in e-Filing website (www.incometaxindiaefiling.gov.in) at your convenience on or before 07/10/2019.

4. निर्धारण प्रक्रिया के दौरान यदि आवश्यक हुआ तो सूचना/कागजात के लिए विस्तृत प्रश्नावली या मांग पत्र बाद में जारी किया जाएगा।
4. In course of assessment proceedings, if required, specific questionnaire(s) or requisition(s) for information/document may be issued subsequently.

5. आप के संदर्भ के लिए 'ई-कार्यवाही' पर एक संक्षिप्त नोट संलग्न है। यदि आपको अपना उत्तर दर्ज करने में किसी भी सहायता की आवश्यकता है तो आप टोल फ्री कॉल सेंटर नं 1800 103 4215 पर संपर्क कर सकते हैं।

5. A brief note on 'e-Proceeding' is enclosed for your kind reference. In case you require any assistance in filing your response, you may contact toll free Call Centre number 1800 103 4215.

संलग्न: उपरोक्त अनुसार
Enclosure : as above



आपका सहायी/Yours faithfully,

निर्धारण अधिकारी
Assessing Officer
राष्ट्रीय ई-निर्धारण केन्द्र (राईनेके) / National e-Assessment Centre (NeAC)


Signature Not Verified
Digitally signed by PRAVIN
ASHTAWARI
Date: 2019.09.27 01:05:10 IST

On receipt of such scrutiny notice under section 143(2) on this issue, the assessee is required to explain and justify the amounts of revenue recognised and expenditure booked in their real estate projects under the 'Percentage of Completion' method.

Step 4: Filing of 'e-Response' within 15 days of receipt of Notice under section 143(2) of the Act

Under the 'New Scheme of e-Assessment 2019', the assessee is required to file his 'e-Response' to the Notice under section 143(2) of the Act issued by NeAC, within 15 days of the receipt of such notice.

For the purpose of filing/furnishing a 'reply' in response to a notice under section 143(2), the assessee needs to click on the hyperlink 'Submit' present under the tab 'Response' as shown below:

**e-Filing** *Anywhere Anytime*
Income Tax Department, Government of India

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Welcome | **ABC PRIVATE LIMITED** (Corporate) [Logout](#)
Last Login: 18/08/2020 18:35:44
Idle Session Timer **1 4:1**

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e-Proceedings

PAN - AAACA1234H
Assessment Year - 2018-19
Proceeding Name - Assessment Proceeding u/s 143(3)

Notice/Communication reference ID	Notice u/s	Description	Issued On	Document ID	Served On	Response Due date	Response	Response viewed by AO on
10000003100933	143(2)	[ITBA]Notice under section 143(2) of the Income Tax Act, 1961	22.09.2019	ITBA/AST/S/143(2)/2018-19/1011311328(1)	-	07.10.2019	Submit View	-
100000030373111	142(1)	[ITBA]Notice u/s 142(1) of Income Tax Act 1961.	10.02.2020	ITBA/AST/F/142(1)/2019-20/1017215776(1)	-	19.02.2020	Submit View	-
100000031227460	142(1)	[ITBA]Notice u/s 142(1) of Income Tax Act 1961.	12.08.2020	ITBA/AST/F/142(1)/2019-20/1017664414(1)	-	21.08.2020	Submit -	-

[Back](#)

Note :

- Please click on the **Reference ID** hyperlink to view the Notice Details.
- In order to submit the response click on the **Submit** hyperlink under Response Column.
- To View the details of submitted Response, please click on **View** hyperlink.
- u/s - under section



GOVERNMENT OF INDIA
MINISTRY OF FINANCE
INCOME TAX DEPARTMENT
National e-Assessment Centre
Delhi

To, ABC PRIVATE LIMITED XYZ NAGAR NEW DELHI- 11XXXX INDIA	
---	--

PAN: AAACA1234H	AY: 2018-19	Dated: 12/08/2020	DIN & Notice No. : ITBA/AST/F/142(1)/2020-21/1XXXXX
---------------------------	-----------------------	-----------------------------	---

Notice under sub-section (1) of Section 142 of the Income Tax Act, 1961

Dear Taxpayer,

Kindly refer to notice u/s 143(2) of the Income-tax Act, dated **22/09/2019** for A.Y **2018-19** for conducting assessment proceedings under E-assessment Scheme, 2019.

2. You are requested and required to kindly furnish or cause to be furnished on or before **21/08/2020 by 11:00 AM**, the accounts and documents specified in the Annexure to this notice.

3. The accounts or documents, as mentioned above, are required to be submitted online electronically in 'E-proceedings' facility through your account in e-Filing website (www.incometaxindiaefiling.gov.in)

Yours faithfully,

Additional / Joint / Deputy / Assistant Commissioner of Income Tax,
National e-Assessment Centre,
Delhi

ANNEXURE

In connection with the assessment proceedings u/s 143(3) of the Act for the AY 2018-19, you are required to furnish your clarification and explanation in respect of the following:

- (i) Justification for recognition of revenue and claim of expenditure w.r.t. your real estate project of 'Commercial Plaza' in XYZ Nagar.
- (ii) The gross receipts from your 'Commercial Plaza' project, as per your GST returns are more than your turnover as reflected by you in your ITR. Kindly explain the reason for the same.
- (iii) The gross receipts from your 'Commercial Plaza' project, as per your Form 26QB are more than your turnover as reflected by you in your ITR. Kindly explain the reason for the same.

Step 5: Practical Tips for Filing Effective Responses/Submissions to Scrutiny Notice under section 143(2) and Other Requisitions

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e-Proceedings

PAN AAACA1234H
Proceeding Name Assessment Proceeding u/s 143(3)
Assessment Year 2018-19
Document Reference ID 100000031793394
Notice Section 143(2)

Response Type
Select
Partial Response
Full Response

Response/Remarks (Not exceeding 4000 characters)*

Sl. No.	Attachment Description
1	Select Attach scanned documents in .pdf, .xls, .xlsx and .csv format (Maximum 10 attachments with each not exceeding 10 MB) Choose File No file chosen


+ Add - Delete

☒ I declare that to the best of my knowledge and belief, the information furnished in the statement/statements is correct and complete and other particulars shown therein are truly stated.

Continue Back

- Submission of Partial Responses:** If the assessee is submitting its response on piecemeal basis, then he needs to choose '**response type**' as '**partial**'. Practically it is always advisable to opt for 'partial response' in order to enable filing of subsequent responses to the notice.
- Submission of Full Response:** If the submissions are made on piecemeal basis, then there would be multiple **partial responses**. After submitting his '**last partial response**', the assessee needs to **update** the '**Response type**' to '**Full Response**' instead of '**Partial response**'. And if the assessee wants to file just one response to the scrutiny notice then he may opt for the '**response type**' as '**Full Response**'.
- Brief Remark to Response:** The assessee may also furnish a brief '**remark**' to its response under the tab '**Response/Remark**', not exceeding the character limit of **4000** characters. Previously this limit was 1000 characters only.
- Uploading of Supporting Documents as Attachments:** If the assessee so requires, he may **attach** the **supporting documents** as '**attachments**' in substantiation of his response/submission by choosing different specified categories of attachments mentioned in the **dropdown list**. The assessee can attach scanned documents in .pdf, .xls, .xlsx, .csv format. **A maximum of 10 attachments/files with each attachment not exceeding 10 MB can be uploaded.**

The different specified categories of documents and records which can be attached as attachments along with the 'e-Responses' are mentioned in the **dropdown list** under the tab '**Attachment Description**'.



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e-Proceedings


PAN	AAACA1234H
Proceeding Name	Assessment Proceeding u/s 143(3)
Assessment Year	2018-19
Document Reference ID	100000031793394
Notice Section	143(2)
Response Type	Partial Response ▼
Reply in response to Notice u/s 143(2) of the Act for the A.Y. 2018-19.	
Response/Remarks (Not exceeding 4000 characters)*	

Sl. No.	Attachment Description	Attach scanned documents in .pdf, .xls, .xlsx and .csv format (Maximum 10 attachments with each not exceeding 10 MB)
1	Select ▼	<div>Choose File</div> <div>No file chosen</div>

+ Add
X Delete

☒ I declare that to the best of my knowledge and belief, the information furnished in the statement/statements is correct and complete and other particulars shown therein are truly stated.

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×
+
Select

- Agriculture income computation statement
- Asset and Liability statement
- Balance sheet /statement of affairs along with detailed schedules
- Bank account statement**
- Capital account statement
- Capital gains or loss computation statement
- Demat account statement
- Details of depreciable assets sold during the year
- Details of exempt income and expenditure incurred relatable to exempt income
- Details of expenditure incurred involving persons covered u/s 40A(2)(b)
- Details of loans or Advances taken from companies or firms
- Details of other expenditure**
- Details of person wise expenditure as covered u/s 40(a)(i) and 40(a)(ia) with proof of deduction of tax
- Details of persons along with addresses who are issued shares during the year, along with PAN
- Details of share premium received
- Evidence in investment in capital gains scheme account
- Evidence in respect of investment made in properties



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+ Add
X Delete

☒ I declare that to the best of my knowledge and belief, the information furnished in the statement/statements is correct and complete and other particulars shown therein are truly stated.

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The screenshot displays the 'Income Tax e-Response' portal. The main area lists various documents required for submission, with several items highlighted by red boxes: 'Others' under 'Document Reference', 'Reconciliation statement between receipts as per 26AS and P&L Account' under 'Response/Remarks', 'Sales Tax/VAT/Service Tax/GST returns or assessment orders copies' under 'Response/Remarks', and 'Transaction statement' under 'Si. No.'. The portal also features a sidebar with navigation links like 'Dashboard', 'PAN', 'Proceeding Name', 'Assessment Year', 'Document Reference', 'Notice Section', 'Response Type', and 'Response/Remarks'. The top header shows the user's login details, including the name 'BC PRIVATE LIMITED (Corporate)' and the last login time '18/08/2020 17:11:19'.

The Specimen of an ideal 'e-response' to the Scrutiny Notice/Requisition/Questionnaire/Show Cause Notice under section 143(2)/142(1) of the Act, on the issue of 'Accounting for Revenue Recognition & Expenditure Booking in Real Estate Business' is being reproduced below for ready reference of the worthy readers.

**S M MOHANKA & ASSOCIATES
CHARTERED ACCOUNTANTS**

**Tax Chambers, New Delhi - 1100XX,
Tel.: 011-12345678, Fax: 011-87654321
E-mail: abc@taxchambers.com**

20.8.2020

**The NeAC
New Delhi**

In the Matter of: M/s ABC Pvt Ltd. (hereinafter referred to as 'the assessee company')

PAN: AAACA1234H; Address: XYZ Nagar, New Delhi, India

Subject: Submission w.r.t. Notice under section 143(2) for AY 2018-19.

Dear Sir,

This is in reference to the captioned Notice under section 142(1) read with section 143(2) of the Act, dated 6-10-2019 for the AY 2018-19, and the subsequent requisitions u/s 142(1) wherein the assessee company has been required to furnish its reply in substantiation and corroboration of its recognition of revenue and booking of expenditure of its real estate project of a Commercial Plaza in XYZ Nagar.

In this regard it is respectfully submitted that during the FY 2017-18 corresponding to the AY 2018-19, presently under consideration, the assessee company has recognised the revenue and has booked

the expenditure of its Real Estate Project of a Commercial Plaza in accordance with the 'Percentage of Completion' method of accounting as stipulated in the Income Computation Disclosure Standards as notified under section 145 of the Income-tax Act, 1961.

The point-wise reply to the queries raised in the captioned scrutiny notice are being addressed as under:

(i) Justification for Proper Revenue Recognition and Expenditure Booking in the Real Estate Project of Commercial Plaza:

In this regard, it is respectfully submitted that the assessee company is consistently following the 'Percentage of Completion' method for booking of income as well as expenditure in relation to its Commercial Plaza Project in XYZ Nagar. The Percentage of Completion method has been stipulated by the Income Computation Disclosure Standards (ICDS) as notified by CBDT under section 145 of the Income-tax Act.

The detailed calculations concerning the recognition and booking of income as well as expenditure in relation to its Commercial Plaza Project in XYZ Nagar, in accordance with the mandated 'Percentage of Completion' method is furnished as under:

Particulars			Amount in INR
Total Saleable Area in Sq. Ft.	A	5,00,000	
Total Area Sold in Sq. Ft. uptill 31-3-2018	B	2,25,000	
Percentage % of Area Sold (A/B)	C	45%	
Total Estimated Project Cost	D		100,00,00,000
Total Cost Incurred uptill 31-3-2018	E		50,00,00,000
% of Completion of Work (D/E)	F	50%	
Sale Consideration to be received as per Sale Agreements uptill 31-3-2018	G		100,00,00,000
Gross Revenue to be recognised in proportion to the % of Completion of Work uptill 31-3-2018 (G*F)	H		50,00,00,000
Less: Gross Revenue recognised uptill 31-3-2017	I		25,00,00,000
Proportionate Revenue recognised in FY 2017-18 (H-I)			25,00,00,000
Gross Expenditure to be recognised in proportion to percentage of Area Sold uptill 31-3-2018 (E*C)	J		22,50,00,000
Less: Proportionate Cost booked uptill 31-3-2017	L		10,00,00,000
Proportionate Cost recognised in FY 2017-18	M		12,50,00,000

Therefore, the accounting for revenue recognition and expenditure booking w.r.t. the Real Estate Project of Commercial Plaza Project in XYZ Nagar, has been done, strictly in compliance with the stipulated Percentage of Completion method, in conformity with the Income Computation Disclosure Standards as notified under section 145 of the Income-tax Act, 1961.

(ii) Higher Turnover reported in GST Return as compared to ITR:

As has been explained in point no. 1 above that in the audited Books of Account & ITR, the actual revenue determined on the basis of stipulated percentage % of completion method as calculated in above table, in full compliance with Income Computation Disclosure Standards, has been accounted for and it has not been booked on the basis of any personal discretion of the assessee company.

On the other hand, GST is applicable on Receipt of Advances, as well. Therefore, in GST Returns, the advance receipts, as per executed sale agreements, have been reflected as taxable services.

Therefore, in view of afore-stated facts, it is respectfully submitted that the taxable services in the GST returns have been reflected inclusive of all receipts including advance receipts whereas in the ITR, revenue has been booked on the basis of stipulated percentage of completion method, which is a statutory requirement. There is no understatement, whatsoever, of the revenue booked by the assessee company, on the Commercial Plaza Project in XYZ Nagar.

(iii) Sale Consideration of Property in ITR is less than Sale Consideration reported in Form 26QB:

In this regard, it is respectfully submitted that as discussed above, in detail, the revenue in respect of sale consideration of units in Commercial Plaza Project in XYZ Nagar, has been lawfully recognised and booked in Books of Account and reflected in ITR, as per the stipulated Percentage of Completion Method.

On the other hand, in Form 26QB, the details of TDS deduction @ 1% by the buyers on gross sale consideration are reflected. The values in Form 26QB reflect the full value of consideration whereas, in ITR, the revenue is recognised as per the stipulated percentage of completion method.

We sincerely believe that the above explanations and clarifications will suffice your purpose. However, if any further information, explanation or clarification is required, we would be readily furnishing the same.

Thanking You

Yours Sincerely

For S M Mohanka & Associates

--sd--

(Authorised Counsel of the Assessee Company)

Passing of the Final Assessment Order by NeAC

The NeAC forwards the 'e-Responses' of the assessee to the Show Cause Notice to the Regional Assessment Unit which in turn after taking due cognizance of all the e-responses of the assessee passes the revised assessment order.

In the new Faceless Assessment Scheme, 2019, the assessee is not having any 'by-default' right of personal hearing and the assessee may only request for a personal hearing by way of video conferencing/telephony, in case of disagreement with the additions/disallowances proposed in the draft assessment order. The Chief Commissioner or the Director General, ReAC, may approve such request for personal hearing, if he is of the opinion that the case falls in the list of specified circumstances as notified by CBDT. The circumstances where the request of the

assessee for personal hearing via video conferencing may be approved are yet to be notified by CBDT.

The regional assessment unit after taking cognizance of the inputs from such personal hearing as provided to it by NeAC, again passes the final assessment order, which is uploaded by NeAC in the registered 'e-Filing' account of the assessee, within the time barring limitation period of completion of assessments under section 143(3) of the Act, which can be seen and downloaded by the assessee from the main window under the tab '**e-proceedings**'. The NeAC also transfers the final assessment order and all the assessment records to the file of jurisdictional AO for imposition of penalty if any and recovery of outstanding income tax demand, if any.

1.7 CONCLUDING REMARKS

***'Self-reform automatically brings about social reform.'* - Ramana Maharshi.**

In order to make this path-breaking, radical and revolutionary initiative of the 'faceless' and 'jurisdiction-less', 'e-Assessments' effective and taxpayer friendly, it is essential and crucial to issue appropriate clarifications with regard to the exact *modus operandi* of the functionality of such faceless assessments and to take suitable measures and steps to overcome the initial bottlenecks and hurdles by way of ensuring the commensurate and supporting IT infrastructure to enable seamless and smooth data transfer, incorporating standardization in the conduct of assessments by assessing authorities by implementing Standard Operating Procedures (SOPs) to do away with the subjectiveness and arbitrariness in making additions and disallowances in 'Faceless Assessments' and fixing proper and effective accountability in cases of high pitched assessments.

Clearly, the faceless assessment's process needs to be implemented in a very careful and thoughtful manner, considering the reality of complicated and ever dynamic business transactions.

So, all the stakeholders involved *i.e.* the taxpayers, the tax professionals, the assessing authorities, the regulatory body CBDT, the Finance Ministry and the Government should embrace this radical, revolutionary and path-breaking reform of '*faceless assessments*' in good and positive spirits and should work collectively and cohesively to make this initiative a grand success.

It is only then perhaps the Faceless Assessment will really live up to its true potential, and taxpayers as well as the tax administration authorities will reap the benefits that it is supposed to provide.

For the Tax Professionals though, it would mean missing out on 'the run-of-the-mill', engrossing, satisfying, demanding and intriguing representations and face to face personal interactions and interfaces with the Revenue Authorities, the nostalgic feel and ambience of the Income Tax Offices including Central Revenue (CR) Building, Vikas Bhawan and the Drum Shaped Building, the sophistication and elegance of the Civic Centre and Large Taxpayers Unit (LTU) and most importantly that odd cup of tea with the assessing authorities....'Chai pe Charcha.....'

'The only thing which is constant is the change!!'

1.8 USEFUL REFERENCE

For More Details and Complete Understanding of the nitty-gritties and nuances of the New "Faceless Assessments Scheme, 2019", the recently published **Book titled "Faceless Assessment Ready Reckoner with Real Time Case Studies "**, authored by the author of this article **Sh. Mayank Mohanka, FCA**, and published by **Taxmann Publications**, may be referred, which is a ready reckoner and a referencer and user manual to help and assist the assesseees and the assessing authorities in their 'faceless assessment pursuits'. An honest and sincere effort has been made in this Book to explain and demonstrate the practical aspects and nitty-gritties of 'faceless assessments' in a 'step-by-step-

manner' through 'real-time practical case studies' encompassing crucial and significant scrutiny issues having immense relevance and practical utility for all the assesses and the assessing authorities. The manner and practical aspects of 'e-filing of Rectification Application' u/s 154 of the Act and 'e-filing of Responses against the outstanding Income Tax demand have also been explained and demonstrated in a 'step-by-step' manner.

This Book characterizes a '**natural blend of law and practice**' concerning the New "**Faceless Assessments Scheme, 2019**", and also includes the Country-specific Best International Practices in Tax Administration and the measures taken up by the Indian Tax Administration Authorities to ramp up the effectiveness and efficiency of the governance levels and to transform into a 'digitally mature' tax administration.

About the Author



Sh. Mayank Mohanka is a seasoned Tax Practitioner, a Fellow Member of the Institute of Chartered Accountants of India and a Bachelor of Commerce, in Honours Degree from Shree Ram College of Commerce (SRCC), Delhi University.

He is a Senior Partner in a New Delhi based established and reputed CA Firm, M/s S M Mohanka & Associates. He is the Founder Director in M/s TaxAaram India Pvt Ltd, and has recently launched his unique Start-up Venture taxaaram.com, India's first digital platform offering painless, seamless and cost-effective professional e-services in relation to faceless assessments, appeals and other statutory e-compliances. He has a 15+ years of rich and profound experience in the field of Taxation (Direct & Indirect), and Advisory. He makes Representations for a widely diversified cross section of industries including Power Sector, Banking & Finance, Real Estate, Food Processing, Infrastructure,

Manufacturing, Education and Information Technology, before Authority for Advance Rulings, ITAT, Education Boards and other appropriate forums.

He has to his credit 40 distinguished, informative, useful and practically oriented published articles in reputed journals, sites and platforms including Taxmann, on wide ranging subjects including Income Tax, GST, PF, ESI, IBC, Corporate Laws, Education Acts & FEMA.

He has also authored a 'Best Seller' Professional Book titled "Case Studies & Procedures under Direct tax Vivad se Vishwas Act, 2020", with Taxmann Publications, and the Book 'SUPER 21', treasuring his real-life winning representations on Income Tax, GST, PF, ESI, IBC & Banking Regulation Act, in his professional practice.

“व्यये कृते वर्धते नित्यं। विद्या धनं सर्वे धनं प्रधानम्।।”

Knowledge multiplies manifold by sharing. It is a supreme form of wealth.

Warm Regards

Mayank Mohanka