31 24.12.2025

Ct. No. 551

Ab

# IN THE HIGH COURT AT CALCUTTRA
## CONSTITUTIONAL WRIT JURISDICTION
## APPELLATE SIDE

## WPA 28030 of 2025

**M/s. A.D. Electrosteel Co. Pvt. Ltd. and another**
***Vs.***
**Union of India and others.**
**---------------**

**Mr. Arik Banerjee,**
**Mr. Nilotpal Chowdhury,**
**Mr. Rajib Mullick,**
**Mr. Abhijat Das,**
**Mr. Debmalya Biswas,**
**Ms. Muskan Agarwal.**
**... for the petitioners.**

**Ms. Sipra Chanda.**
**... for the respondent no. 1.**

**Mr. Prithu Dudhoria,**
**Ms. Sukanya Dutta.**
**... for the Income Tax Department.**

**Mr. Debasish Saha,**
**Mr. Avirup Roy Sanyal,**
**Ms. Sucheta Pal.**
**... for the Bank of India.**

1. Affidavit of service filed in Court today is taken on record.
2. The writ petition assail notices dated November 18, 2025 and November 25, 2025 issued under Section 156 of the Income Tax Act, 1961 (in short 'said Act of 1961').
3. It appears that the assessment order dated March 25, 2025 was passed under Section 143(3) of the said Act of 1961 for the Assessment Year 2012-13. The said order was carried in appeal before the CIT appeals. The appeal was dismissed on November 3,

2016 for non-prosecution. The petitioners carried the matter in further appeal before the Income Tax Appellate Tribunal. Such appeal was also dismissed for non-prosecution by the Tribunal by an order dated August 20, 2018. Thereafter an application being MA 121/Kol/23 was filed seeking restoration of the said appeal. The said application was delayed by 1757 days. Since the application was not pursued, the same was also dismissed on April 22, 2024.

4. Assailing the said order, the petitioners approached the Hon'ble Division Bench of this Court by way of appeal being ITAT 248 of 2024. The said appeal was disposed of by an order dated May 6, 2025 thereby setting aside the order dated April 22, 2024 and permitting the petitioners to apply afresh before the Tribunal. The petitioners have thereafter approached the Tribunal by way of a fresh application, which is pending.

5. In the meantime, on the basis of the assessment order dated March 25, 2025, notices of demand have been issued to the petitioners. It is submitted by the petitioners that the petitioners have made an application under Section 220(6) of the said Act of 1961 seeking stay of the demand.

6. It is submitted by Mr. Banerjee appearing for the petitioner that the said application has not yet been

disposed of and while keeping the said application pending, the respondents-Revenue Authorities are proceeding to recover the sums due in terms of the outstanding demand.

7. Mr. Dudhoria, learned Advocate appearing on behalf of the respondents-Revenue Authorities, submits that the application that has been shown to have been filed by the petitioners under Section 220(6) of the said Act of 1961 could not have been filed by the petitioners at all, inasmuch as upon the petitioners' bank account being attached, the petitioners themselves approached the Assessing Officer and sought to pay the outstanding demand by way of installments.

8. Attention of this Court is drawn to a letter dated October 17, 2025 written on behalf of the petitioners (at pages 308 and 309 of the writ petition) and the order dated November 25, 2025 wherein it has been recorded that the petitioners sought monthly payment option vide e-mail dated October 17, 2025 and undertook to make payment of the outstanding demand of Rs. 8,73,40,410/- (including interest under Section 220(2) of the said Act of 2017) in installments starting from 20$^{th}$ November 2025 of Rs, 50 lakh and remaining amount up to 30$^{th}$ April 2026 with a minimum payment of Rs. 75 lakh per month.

9. It is submitted that it was on such representation of the petitioners that the attachment of the petitioners' bank account was lifted. It is further submitted that in such view of the matter, the petitioners are not entitled to any stay of the demand as requested by them by their application filed before the Deputy Commissioner of Income Tax (Circle-1) (at pages 287 to 295 of the writ petition).
10. Mr. Banerjee, learned Advocate appearing on behalf of the petitioners, submits that the petitioners have never undertaken to pay the outstanding demand.
11. Heard the learned Advocates appearing on behalf of the respective parties and considered the material on record.
12. In view of the facts that the petitioners' appeal before the Income Tax Appellate Tribunal has not yet been restored and in view of the petitioners letter dated October 17, 2025 whereby the petitioners have themselves indicated to the Assessing Officer that the petitioners would be making payment of outstanding demand by way of installments, no mandatory order of stay of the demand can be passed by this Court. However, since the petitioners have made an application for stay of notice under Section 156 of the said Act of

1961 (Annexure-'P22' at pages 287 to 298 of the writ petition), the respondents-Revenue Authorities shall be free to take a decision on such application as expeditiously as possible preferably within a period of four weeks from the date of communication of this order, strictly in accordance with law.

13. It is clarified that this order shall not be treated as a mandate to stay the demand and the authority concerned shall be free to take appropriate decision independently in accordance with law.
14. WPA 28030 of 2025 stands disposed of.
15. There shall, however, be no order as to costs,
16. Urgent Photostat certified copy of this order, if applied for, be given to the parties on priority basis.

**(Om Narayan Rai, J.)**