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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ W.P.(C) 9006/2024

KIAAN MARKETING .....Petitioner

Through: Mr Sankalp Malik with Mr Sanjay Malik and Ms Vartika Malik, Advocates.

versus

DEPUTY DIRECTOR OF INCOME TAX, CPC & ORS. .....Respondents

Through: Mr Siddhartha Sinha, Advocate.

**CORAM:**
**HON'BLE MR. JUSTICE VIBHU BAKHRU**
**HON'BLE MR. JUSTICE TEJAS KARIA**

**O R D E R**

% **25.03.2025**

1. The petitioner has filed the present petition, *inter alia*, praying that the respondents be directed to release an amount of ₹10,56,489/- being the amount exceeding 20% of the disputed demand in respect of the Assessment Year [**AY**] 2018-19.

2. The petitioner had filed its income tax return for AY 2017-18 declaring an aggregate income of ₹27,08,000/- and a tax liability of ₹8,12,400/-, which was paid. The said return was processed under Section 143(1) of the Income Tax Act, 1961 [**the Act**] and an intimation was issued under holding the petitioner's tax liability to be ₹4,53,590/-.

3. Thereafter, the reassessment proceedings in respect of AY 2018-19 were initiated, which culminated in an order under Section 147 of the Act read with Section 144B of the Act, whereby the petitioner's liability was ascertained at ₹32,48,306/-. Aggrieved by the said order dated 15.02.2023, the petitioner preferred an appeal before the Appellate Authority, which is pending. The petitioner has also filed an application seeking stay of the

demand which has not been disposed of as yet.

4. On 13.11.2023, the petitioner's return for AY 2023-24 was processed under Section 143(1) of the Act. The petitioner is entitled to refund of a sum of ₹17,06,146/- in terms of the said intimation. However, the said refund was not disbursed but was adjusted against the outstanding demand in respect of AY 2018-19. The petitioner is, essentially, aggrieved by the adjustment of the said refund against outstanding liability in excess of 20% of the said liability. According to the petitioner, since it had preferred an appeal against the reassessment order, in respect of AY 2018-19, any demand in excess of 20% of the ascertained tax amount is required to be kept in abeyance till disposal of the appeal.

5. The learned counsel appearing for the Revenue submits on instructions that the Assessing Officer [**AO**] shall treat the application for stay of demand filed by the petitioner before the Appellate Authority as its request for staying the demand for AY 2018-19. The same shall duly be processed and any adjustment in excess of 20% of the outstanding demand as prayed for by the petitioner, will be refunded.

6. In view of the aforesaid statement, no further orders are required to be passed in this petition except to direct the concerned AO to complete the aforesaid exercise as expeditiously as possible, and in any event, within a period of four weeks from date.

7. The petition is disposed of in the aforesaid terms.

**VIBHU BAKHRU, J**

**TEJAS KARIA, J**

**MARCH 25, 2025**/tr

*Click here to check corrigendum, if any*