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151/CL
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Sl-49
Ct.551
(S.R.)

WPA 29068 of 2025

Titagarh Rail Systems Limited
v.
Union of India & Ors.

Mr. Avra Mazumder,
Ms. Elina Dey
Ms. Maitreyee Naskar,
Ms. Sreeja Mukherjee,
Ms. Rupomita Ghose ... for the petitioner.

Mr. Aryak Dutt,
Mr. Amit Sharma
Ms. Riya Kundu ... for the respondents.

1. This writ petition assails the action of the respondent Income Tax Authorities in recovering/adjusting a sum of Rs.7,28,67,780/- *vide* challan no. 11596 and a sum of Rs.84,83,460/- *vide* challan no. 35974 both dated December 5, 2025 against the outstanding demand pertaining to assessment year 2018-19 pursuant to assessment order dated April 21, 2021 passed in respect of the said assessment year.

2. Mr. Mazumder, learned advocate appearing for the petitioner submits that the assessment order dated April 21, 2021 has been assailed by the petitioner in appeal before the appellate authority and that during pendency of the appeal, the petitioner made an application under Section 220(6) of the Income Tax Act, 1961 before the assessing officer seeking stay of the demand. Such application was disposed

of by an order dated October 6, 2025 thereby staying the demand till disposal of the appeal while recording that the petitioner had paid a sum of Rs.2,59,41,085 and the petitioner's appeal was pending before the CIT(A), NFAC. It is submitted that despite such order having been passed on October 6, 2025, the respondent Income Tax Authorities have proceeded to adjust the aforesaid sums on December 5, 2025 i.e. subsequent to the order staying the demand being passed.

3. Mr. Dutt, learned senior standing counsel appearing for the respondent Revenue Authorities assisted by Mr. Sharma, has little resistance to offer to Mr. Mazumder's submissions.

4. Since it is apparent from the material on record and since it not in dispute that by an order dated October 6, 2025, the petitioner's application for treating the petitioner to be not in default in terms of Section 220(6) of the said Act, 1961 had been favourably considered by the assessing officer concerned and the demand arising from the assessment order dated April 21, 2021 in respect of assessment year 2018-19 had been stayed, therefore, the respondent Revenue Authorities were not justified in adjusting any sum after the said order in respect of the outstanding demand pertaining to the said assessment year 2018-19.

5. In such view of the matter, the amounts of Rs.7,28,67,780/- as indicated in challan no.11596 (Annexure P-16 at page no. 175 of the writ petition) and Rs.84,83,460 as indicated in challan no.35974 (at page no. 176 of the writ petition), both dated December 5, 2025 shall be refunded to the petitioner by the Respondent Revenue Authorities, as expeditiously as possible, preferably within a period of six weeks from the date of communication of this order.
6. With the aforesaid directions, WPA 29068 of 2025 stands disposed of.
7. There shall, however, be no order as to costs.
8. Urgent certified photocopy of this order, if applied for, be supplied as expeditiously as possible.

(Om Narayan Rai, J.)