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

\+ W.P.(C) 747/2025 CM APPL. 3738/2025

DELHI FURNITURE COMPANY PRIVATE LIMITED.....Petitioner

Through: Mr. Nischay Kantoor, Ms. Vandana Kothari and Mr. Sparsh Kapoor, Advs.

versus

INCOME TAX OFFICER WARD 7(1) & ORS. .....Respondents

Through: Mr. Siddhartha Sinha, SSC

CORAM:
HON'BLE MR. JUSTICE DINESH MEHTA
HON'BLE MR. JUSTICE VINOD KUMAR

O R D E R

% 23.04.2026

1. The petitioner has approached this Court with rather unusual facts and unique grievances.

2. The petitioner received a series of notices under Section 221 of the Income Tax Act, 1961 (*hereinafter referred to as "The Act of 1961"*) asking the petitioner to pay the outstanding demand. These notices were issued on various dates (i.e.,12.08.2014; 29.01.2020; 06.12.2021 & 30.12.2021) requiring the petitioner to deposit a sum of Rs.9,60,08,190/- being tax for Assessment Year (AY) 2008-09 and interest accruing thereupon.

3. The petitioner has asserted that on receipt of above referred notices, it had repeatedly asked the respondent-Income Tax Department to give the details of the outstanding demand or copy of the assessment order and relevant documents, but nothing has been provided to it.

4. Learned counsel submitted that on account of receiving notice after notice issued by the respondents, mental peace of the petitioner's Director is disturbed as they are facing a threat of coercive action for the recovery. The petitioner also expresses that on account of the alleged outstanding demand, the petitioner is not able to obtain loan from the banks or financial institutions.

5. The petitioner has placed on record a copy of the letter dated 27.06.2024, written by the Income Tax Officer, Ward-7(1), (Delhi) in which it has clearly been mentioned that the assessment order is not traceable.

6. A reply to the writ petition has been filed in which the respondents have accepted the fact that the assessment order and corresponding records are not available.

7. Such being the position, we are of the view that respondents cannot issue notice of recovery of outstanding demand and additional accruing interest thereupon to the petitioner. Because, neither the petitioner has been served with the order nor are the respondents in a position to show any such order. In absence of an assessment order and demand notice, no enforceable demand can exist. Unless the petitioner is informed of particulars of such demand and a copy of the assessment order is served upon the petitioner, no action for recovery of demand can be initiated.

8. We therefore set aside all the notices seeking to recover amount of Rs.9,60,08,190/- and interest thereupon from the petitioner.

9. The petition is therefore, allowed.

10. We hereby make it clear that in case the respondents are in a position to trace the assessment order and the documents on basis of which the amount is sought to be recovered, they shall provide a copy of the same to

the petitioner.

11. Upon receipt of copy of the assessment order etc., petitioner shall be free to take legal remedies against such order. However, insofar as the interest part is concerned, the petitioner shall not be liable for the interest upto the date of service of the assessment order (if any). In the absence of service of assessment order along with notice of demand, liability to pay interest can neither be fastened, nor can the assessee be treated as an assessee in default.

12. The respondents are directed to forthwith delete the demand of Rs.9,60,08,190/- from the Income Tax Portal of the petitioner.

13. Pending application(s) stand disposed of.

DINESH MEHTA, J

VINOD KUMAR, J

APRIL 23, 2026/*cd*