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

\# **CNR No. DLHC010022282026**

\+ W.P.(C) 1077/2026 CM APPL. 5250/2026

M/S CIVITECH HOUSING INDIA (P) LTD. THROUGH ITS DIRECTOR SHRI SUBODH GOEL .....Petitioner

Through: Mr.Manish Gupta, Mr. Prateek Gupta, Mr. Sowmya China, Ms. Riya, Mr. Rravi and Mr. Vaishnavi Mishra, Advs.

versus

DEPUTY COMMISSIONER OF INCOME TAX CIRCLE 4(2) DELHI & ORS .....Respondents

Through: Mr. Indruj Singh Rai, SSC with Mr. Sanjeev Menon, Mr. Rahul Singh, Ms. Priya Sarkar, JSCs, Mr.Gaurav Kumar, Mr. Prateek Bhati, Advs. Mr.Nirdesh Gangwar, Assessing Officer, ACIT, Circle 4(2).

CORAM:
HON'BLE MR. JUSTICE DINESH MEHTA
HON'BLE MR. JUSTICE RAJNEESH KUMAR GUPTA

O R D E R

% 21.08.2026

1. Mr. Indruj Singh Rai, learned Senior Standing Counsel submitted that true it is that the order calculating the refund due to the petitioner had been passed on 21.07.2026 and a sum of Rs.71,71,049/- has been found payable to the petitioner however, the same has not been credited to the petitioner because of the pending demand of Assessment Year 2010-11.

2. He submitted that in this regard, an intimation proposing to make

adjustment under Section 245 of the Income Tax Act (*hereinafter referred to as the "Act of 1961"*) has been issued to the petitioner on 06.08.2026.

3. Mr. Rai has produced before us an e-mail dated 10.08.2026 which has addressed to the Assessing Officer by the Centralized Processing Centre (*hereinafter referred to as the "CPC"*).

4. On perusal of the said e-mail dated 10.08.2026, we find that two demands, for the Assessment Year 2010-11, one under Section 250 and other under Section 154 of the Act of 1961, amounting to Rs.49,439/- and Rs.75,950/- respectively are shown pending against the petitioner. We fail to comprehend that while would the respondents withheld the entire refund of Rs.71,71,049/- for a meagre demand of Rs.1,25,389/- which has been calculated way back on 21.07.2026.

5. Without making any comment as to whether, the respondents are justified in withholding the amount equal to a sum of Rs.1,25,389/- and whether such demand is due or not because for such amount, an intimation under Section 245 of the Act of 1961 has already been issued to the assessee. We feel that it is imperative upon the respondents to at least disburse the remaining amount i.e., Rs.70,45,660/- to the petitioner forthwith.

6. We hereby direct that in case, the CPC finds that a refund is due to an assessee and correspondingly there is a demand outstanding and it proposes to withhold/adjust the refund under Section 245 of the Act of 1961, then it shall retain amount equal to the proposed amount to be withheld/adjusted and should immediately remit the remaining amount, subject of course to rival parties right to contend as to whether the amount proposed in intimation under Section 245 of the Act of 1961 can be withheld or not.

7. We, therefore, direct the respondents to credit the amount of

Rs.70,45,660/- within a period of seven days from today. In case, the amount is not credited on or before 05.09.2026, the same shall carry interest at the rate of 1% per month.

8. With these observations, the petition stands disposed of.

9. In case, the petitioner is any grievance in relation to quantification of the amount of refund and applicable interest thereupon, it shall be free to move appropriate application before the Assessing Authority, which application shall be considered by the Authority in accordance with law.

10. Pending application stands disposed of.

DINESH MEHTA, J.

RAJNEESH KUMAR GUPTA, J.

AUGUST 21, 2026
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