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

\+ W.P.(C) 562/2025
\+ W.P.(C) 1900/2025
\+ W.P.(C) 1911/2025

RAKESH MAHAJAN .....Petitioner

Through: Ms.Soumya Singh, Mr.Sumit Lalchandani & Mr.Utkarsa Kumar Gupta, Advs.

versus

ASSISTANT COMMISSIONER OF INCOME TAX, CENTRAL CIRCLE 4, DELHI & ANR. .....Respondents

Through: Mr. Sunil Agarwal, SSC with Ms.Monica Benjamin & Mr.Gibran Naushad, JSCs, Mr. Rohit Chakraborty & Ms. Nancy Jain, Advs.

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

<u>O R D E R</u>

% 23.03.2026

<u>CM APPL. 18155/2026 (stay) in W.P.(C) 562/2025</u>
<u>CM APPL. 18158/2026 (stay) in W.P.(C) 1900/2025</u>
<u>CM APPL. 18157/2026 (stay) in W.P.(C) 1911/2025</u>

1. Learned counsel for the applicant/petitioner invited Court's attention towards respective interim order(s) that were granted by this Court in all the petitions and submitted that regardless of the interim order(s), the Assessing Officer has not only issued demand notice dated 25.02.2026 under Section 156 of the Income Tax Act, 1961 but has also initiated penalty proceedings.

2. Having regard to facts and circumstances of the cases, considering the tenor of the interim order(s), and in view of the submissions made by Mr. Sunil Agarwal, learned Senior Standing Counsel for the respondents that issuance of a demand notice is only a necessary mechanical exercise and the same shall not be given effect to. He assured that by putting relevant instructions in the system, the demand shall not be enforced.

3. This Court is not inclined to stay the effect and operation of the assessment order(s), as prayed by the petitioner. However, since the matter is pending consideration before this Court, we are of the view that the Assessing Officer should stay his hand(s) off the penalty proceedings.

4. The applications are disposed of by ordering that during the pendency of the writ petition, the proceedings in furtherance of the notice dated 25.02.2026 seeking to levy penalty upon the petitioner shall remain stayed.

5. Ordered accordingly.

6. The applications are disposed of.

DINESH MEHTA, J.

VINOD KUMAR, J.

MARCH 23, 2026
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