

## Where HC stayed the final assessment order, continuation of reassessment proceedings held valid

**Summary – The High Court of Delhi in a recent case of Devendra Kumar Singh, (the Assessee) held that where HC stayed the final assessment order, continuation of reassessment proceedings held valid**

### Facts

- The assessee sought relief of stay of all reassessment proceedings pursuant to the issuance of notice under section 148 and also the notice issued under section 143(2) till the disposal of the writ petition.
- The High Court pass an order restraining respondent to pass final assessment order till disposal of petition filed by the assessee.
- The assessee filed instant application raising a plea that the Assessing Officer had misinterpreted the aforesaid order to impute that the court had only granted stay from passing the final assessment order and not the stay of the entire reassessment proceedings and, thus, the Assessing Officer could not recommence the assessment proceedings by issuing notice under section 143(2) of the Act.

### Held

- In the present case, for the reassessment proceedings the Court had restrained the respondents from passing the final order. Thus in case the assessee was not to succeed in the present case, the respondents would then have to complete the reassessment proceedings in terms of section 153(2) read with first proviso to *Explanation 1* within a period of sixty days from the date of the final decision of the writ petition, assuming the same is against the assessee. However, this does not mean that the respondents are granting themselves endless time for completion of reassessment proceedings. The stay order has been granted by this Court pursuant to request made by the assessee. If the assessee would not have pressed for the same, the respondents would have been bound to pass the order within the statutory period prescribed under section 153. The stay is operating against passing of the final assessment order that did not mean that the continuation of the reassessment proceedings, in the meantime would be contrary to the statute. Needless to say, if the assessee were to succeed, such proceedings would be infructuous and the same are being conducted at the risk and peril of the respondents. Accordingly, there is prejudice being caused to the assessee in any manner.