



2026:DHC:9249-DB



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
Date of decision: 14th October, 2026

CNR No. DLHC010471242026

+ **W.P.(C) 14478/2026, CM APPL. 67915/2026, CM APPL. 67916/2026
& CM APPL. 67917/2026**

HOLITECH INDIA PRIVATE LIMITED

.....Petitioner

Through: Mr. Aseem Chawla, Senior Advocate,
Ms. Pratishtha Chaudhary, Mr.
Saksham Arya, Mr. Kavya Garg, Ms.
Ishika Sharma and Mr. Saurabh
Sadhwani, Advocates.

versus

**ASSISTANT COMMISSIONER OF INCOME TAX CENTRAL
CIRCLE 17 DELHI & ORS.**

.....Respondents

Through: Mr. Indruj Singh Rai, SSC; with Mr.
Sanjeev Menon, Mr. Rahul Singh, Ms.
Priya Sarkar, JSCs.

CORAM:
HON'BLE MR. JUSTICE DINESH MEHTA
HON'BLE DR. JUSTICE ADITI CHOUDHARY

J U D G M E N T

DINESH MEHTA, J.(ORAL)

1. By way of the present writ petition, the petitioner has challenged the lien which the respondents have imposed upon the Fixed Deposit Receipts (FDRs) aggregating to a sum of Rs.84,88,21,938.85/-.
2. The provisional attachment order dated 10.11.2021 passed in exercise



of powers under Section 281B of the Income Tax Act, 1961 (*hereinafter referred to as 'the Act of 1961'*) whereby above FDRs were provisionally attached, has also been challenged.

3. Mr. Aseem Chawla, learned Senior Counsel for the petitioner, contended that the lien which was imposed on the aforesaid FDRs has ceased to operate by virtue of provisions contained in Section 281B of the Act of 1961, as the life of the lien is only six months.

4. Mr. Indruj Singh Rai, learned Senior Standing Counsel, on the other hand submitted that the provision contained under Section 281B of the Act of 1961 cannot be read as suggested by Mr. Aseem Chawla. He argued that at petitioner's own instance, in W.P.(C) 266/2025 this Court has granted interim order dated 27.03.2025 and restrained the respondents from passing final assessment order *qua* assessment year 2020-21.

5. He submitted that the first proviso to Section 281B(2) of the Act of 1961 clearly provides that the provisional attachment shall continue for a period of six months (extendable up to two years) or sixty days from the date when the assessment order is passed, whichever is later.

6. Having read the proviso, Mr. Indruj Singh Rai argued that since the assessment order for assessment year 2020-21 has not been passed, the provisional attachment over the FDRs which was imposed by order dated 10.11.2021 still continues.

7. Mr. Aseem Chawla, learned Senior Counsel for the petitioner, submitted that so far as assessment year 2021-22 is concerned, the assessment order has been passed on 30.10.2025 but recovery of the demand has been stayed in W.P.(C) 10308/2025 *vide* order dated 28.07.2025.

8. So far as assessment year 2022-23 is concerned, he submitted that



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assessment order has been passed on 14.01.2026 and the same is *sub-judice* before the Income Tax Appellate Tribunal.

9. He, however, submitted that if the demands as raised by the Assessing Officer are added, the aggregate demand comes to Rs.1,57,14,06,363/- and if the demand of Rs.45.7 Crores (which is likely to be raised for assessment year 2021-22) is added, the total demand against the petitioner roughly comes to Rs.200 Crores.

10. Learned Senior Counsel argued that for demand of Rs.200 Crores, out of which some demand is yet to be crystallized and most of it has been stayed by this Court, the respondents are continuing with the lien over the FDRs due to which the petitioner is unable to use funds of Rs.84.88 Crores and interest thereupon roughly amounting to Rs.107 Crores.

11. Highlighting the petitioner's plight, learned Senior Counsel submitted that the petitioner-company which is engaged in the business of manufacturing the display of Mobile Phones and Cameras had 1800 employees in the year 2021 and is now left with only 10 employees is in a real financial crunch and is unable to run its business.

12. He submitted that though the demand against the petitioner has been stayed by this Court, petitioner would offer to pay Rs.50 Crores under protest against the pending demand, the respondents be however directed to lift the lien towards the FDR so that the petitioner can utilize the amount for its business purposes and tide over the financial distress.

13. Mr. Indruj Singh Rai, learned Senior Standing Counsel, on instructions submits that the department does not have any in-principle objection to petitioner's such offer. But, they want to secure the revenue's interest so that if ultimately the demand against the petitioner is upheld, the department does



not find it difficult to recover its legitimate dues.

14. Heard learned counsel for the parties.

15. Considering that even if the petitioner were to avail remedy of appeal, as per the prevailing circular of CBDT having deposited 20% of the amount, it would have easily secured stay of the demand, we deem it appropriate to direct the petitioner to pay a sum of Rs.50 Crores (25% of the total outstanding) of roughly Rs.200 Crores.

16. We dispose of the writ petition with following directions:-

- (i) The petitioner shall hand over a post-dated cheque dated 15.11.2026 drawn in the name of **ACIT, Central Circle 13, New Delhi** for a sum of Rs.50,00,00,000/- (Rupees Fifty Crores) to the Assessing Officer within a period of one week from today.
- (ii) Immediately on receipt of cheque, the Assessing Officer shall pass requisite order lifting the lien over the FDRs, which he had imposed vide order dated 10.11.2021 and/or he shall recall the order which he had passed under Section 281B of the Act of 1961 by giving reference to the order instant.
- (iii) The Assessing Officer shall send a copy of such order to the concerned Bank.
- (iv) The petitioner shall file an undertaking before the Assessing Officer while placing a copy thereof on the record of this case that it shall not hereinafter transfer or create third party rights *qua* its assets. While furnishing the



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undertaking, the petitioner shall enclose a list of its assets and encumbrances (if any) created.

17. Interlocutory applications also stand disposed of.

(DINESH MEHTA)
JUDGE

ADITI CHOUDHARY
(JUDGE)

OCTOBER 14, 2026/nk