

**Refund cannot be adjusted by CPC without following procedure
prescribed in sec. 245**

**DIRECTORATE OF INCOME TAX(SYSTEMS)
ARA Centre, Ground floor, E-2, Jhandewalan Extension,
New Delhi-110055.**

LETTER [F.NO.DIT(S)-III/CPC/2012-13/ DEMAND MANAGEMENT], DATED 21-3-2013

**Subject: Directions of Hon'ble Delhi High Court in the Writ Petition (Civil) No.s 2659 & 5443 of 2012
— Order dated 14.03.2013 -Reg.**

Please refer to the above mentioned subject.

1. As per Hon'ble Delhi High Court's Order dated 14-3-2013, the Department requires to follow the procedure prescribed u/s 245 before making any adjustment of refund payable by the CFC, Bengaluru. Accordingly, the assessee must be given an opportunity to file response or reply and the reply will be considered and examined by the Assessing Officer before any direction for adjustment is made. The process of issue of prior intimation and service thereof on the assessee will be as per the law. The assessee will be entitled to file their response before the Assessing Officer mentioned in the prior intimation. The Assessing Officer will thereafter examine the reply and communicate his findings to the CPC, Bengaluru, who will then process the refund and adjust the demand, if any payable.

2. The number of high refund cases where demand is outstanding and also intimation u/s 245 has been issued by the CPC, Bengaluru, pertaining to each CCIT(CCA) region is being forwarded as per the enclosed Annexure I. The detailed list is also available on i-Taxnet on the following path:

3. It is requested to issue directions to the Assessing Officers under respective charges to make compliance of the aforesaid order and communicate its findings on adjustable demand to CPC, Bengaluru, who will then process the refund and adjust the demand. The communication to CPC, Bengaluru, may also be give on its e-mail id: cit.cpc.bangalore@incometaxindia.gov.in

ANNEXURE-I

CCIT(CCA)-wise break-up of high refund cases where demand is outstanding and also intimation u/s 245 has been issued by the CPC, Bengaluru:			
Sl. No.	CCIT(CCA) CHARGE	Area Code	No. of High Refund Cases
1	ANDHRA PRADESH	APR	72
2	BHUBNESHWAR	BBN	9
3	BHOPAL	BPL	21
4	CHENNAI	CHE	92
5	DELHI	DEL	157
6	CENTRAL, INVESTIGATION, INTERNATIONAL TAXATION	DLC	136
7	GUJARAT	GUJ	85
8	KARNATAKA	KAR	99
9	KANPUR	KNP	18
10	KERALA	KRL	28
11	LUCKNOW	LKN	6
12	MUMBAI	MUM	338

13	NAGPUR	NGP	7
14	NWR	NWR	32
15	PUNE	PNE	61
16	PATNA	PTN	9
17	RAJASTHAN	RJN	18
18	SHILLONG-GUHATI	SHL	11
19	WEST BENGAL	WBG	76
	Grand Total		1275

Your Faithfully

(S.K.M HRA)

Director of Income Tax(S)-III,

New Delhi.