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

\+ W.P.(C) 11198/2022 & CM No.32900/2022

RAMAN GUPTA .....Petitioner

Through: Ms. Purti Gupta & Ms. Henna George, Advs.

Versus

UNION OF INDIA & ORS. .....Respondents

Through: Mr. Mukul Singh, CGSC with Mr. Aryan Dhaka & Ms. Ira Singh, Advs.
Mr. Aseem Chawla, SSC with Ms. Pratishtha Chaudhary, Advs.

AND

\+ W.P.(C) 1340/2023

VIRENDER PAL SINGH & ORS. .....Petitioners

Through: Ms. Purti Gupta & Ms. Henna George, Advs.

Versus

UNION OF INDIA & ORS. .....Respondents

Through: Mr. Mukul Singh, CGSC with Mr. Aryan Dhaka & Ms. Ira Singh, Advs.
Mr. Aseem Chawla, SSC with Ms. Pratishtha Chaudhary, Advs.

AND

\+ W.P.(C) 1364/2023

SUBHASH CHANDRA TANDON & ANR. .....Petitioners

Through: Ms. Purti Gupta & Ms. Henna George, Advs.

versus

UNION OF INDIA & ORS. .....Respondents

Through: Mr. Mukul Singh, CGSC with Mr. Aryan Dhaka & Ms. Ira Singh, Advs.
Mr. Aseem Chawla, SSC with Ms. Pratishtha Chaudhary, Advs.

CORAM:
HON'BLE MR. JUSTICE VIBHU BAKHRU
HON'BLE MS. JUSTICE SWARANA KANTA SHARMA

O R D E R

% **02.12.2024**

1. The present petitions were listed for hearing on 28.11.2024 and this Court passed the following order:

> "1. The petitioners in the present petitions are alleged to be the officers of a company that has defaulted in depositing the Tax Deducted at Source (hereafter *TDS*) at the material time. The petitioners had applied for compounding of offences and their applications were rejected on the ground that the company in question – M/s Metenere Ltd. (hereafter *Metenere*) – had not compounded the said offence.
>
> 2. It is the Revenue's case that at the material time, the compounding guidelines did not permit compounding of offences by individuals, if the principal company had not availed the said option.
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> 3. The petitioners contend that Metenere was undergoing a Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016 (hereafter *IBC*) and the Resolution Professional, who had been appointed, had declined to make any payment towards compounding fees. However, the petitioners in the present petitions paid the compounding fees, which was determined as payable by them.
>
> 4. It is the petitioners' contention that the compounding fee levied was a debt and since there was a moratorium in place, under Section 14 of the IBC, the said proceedings were not maintainable. *Prima facie,* we find no merit in these contentions.
>
> 5. After some arguments, the learned counsel appearing for the Revenue fairly points out that in several cases, similarly placed petitioners have withdrawn their petitions to apply for compounding under the new guidelines [Circular No. 285/08/2014-IT (Inv.V)/163 dated 17.10.2024], which now permit individuals to make a compounding application. He has also drawn attention of this Court to paragraph no. 11.1 of the said circular. He also fairly states that in the event the petitioners submit any applications under the new guidelines and the same are accepted, they will be entitled to the benefit of the amount of the compounding charges already paid, to the extent that the same are

> admissible.
>
> 6. The learned counsel for the petitioners seeks time to take instructions in this regard.
>
> 7. List on 02.12.2024."

2. The learned counsel appearing for the petitioners seek to withdraw the present petitions with the liberty to make an application under the new Guidelines (Guidelines dated 17.10.2024) issued for compounding of the offences under the Income Tax Act, 1961.

3. Accordingly, the present petitions are dismissed as withdrawn with the clarification that the petitioners are entitled to make an application under the new Guidelines. The present order will not preclude the petitioners from doing so.

4. All rights and contentions of the parties are reserved.

VIBHU BAKHRU, J

SWARANA KANTA SHARMA, J

DECEMBER 02, 2024

'gsr' *Click here to check corrigendum, if any*