Shephali

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
WRIT PETITION NO. 54 OF 2025

Vidya R Iyer …Petitioner
Versus
Deputy Commissioner of Income Tax 41 (1) (1), Mumbai & Ors …Respondents

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Ms. Radha P. Halbe, *for the Petitioner.*
Mr. Ravi Rattesor, *with Kiran Singh, for the Respondents.*

SHEPHALI SANJAY MORMARE

Digitally signed by SHEPHALI SANJAY MORMARE
Date: 2025.04.02 10:22:39 +0530

CORAM **M.S. Sonak &**
Jitendra Jain, JJ.
DATED: **1 April 2025.**

PC:-

1. Heard learned counsel for the parties.

2. On 20 January 2025, we recorded that refunds have already been granted but without interest. Accordingly, we adjourned the matter to enable the learned Counsel of the Respondent to apprise this Court on the status of interest.

3. On 3 March 2025, we made the following order:

> "1. Heard learned Counsel for the parties.

2. This matter concerns income tax refund to a widow. Such refund together with interest was due in respect of four assessment years. Since that was not being granted, the Petitioner was forced to institute this Petition.

3. On 20 January 2025, we made the following order.

> "1. Heard learned counsel for the parties. Mr. Vaz learned counsel for the Respondent requested that the matter be kept back because his senior is not available.
>
> 2. This matter consists of income-tax refund of widow. Accordingly, we are not inclined to acceed to the request.
>
> 3. Learned counsel for the Petitioner states that this petition consist of refund for 4 years. He points out that after institution of this petition refund for 3 years have been granted but without any interest. He points out that refund for the assessment year 2014-15 is still not granted.
>
> 4. Therefore, we placed this matter on 27 January 2025 to enable learned counsel for the Respondent to obtain instructions on the status of this refund and status of interest for the remaining years. Again, we clarify that this is not the matter which should brook delay and therefore, we would be most reluctant to grant any adjournment in this matter. The instructions must be obtained by next date.

5. List this matter on 27 January 2025."

4. The learned Counsel for the Respondent states that the refund for even the fourth assessment year i.e., 2014-15 is now granted. The learned Counsel for the Petitioner however points out that no interest in respect of any of the refunds has been granted till date. He submits that the interest component would be in the range of approximately Rs. 8 to 9 Lakhs but this amount is significant for the assessee.

5. In our order dated 20 January 2025 we had requested to the learned Counsel for the revenue to secure some instructions on the aspect of not only the refund but also interest. The learned Counsel states that he has no instructions on the interest aspect but stated that by now, refunds for all the four years have been granted.

6. Accordingly, the Petitioner must, within a week from today, calculate the interest payments which, according to her, are due from the revenue and submit such calculations to the first Respondent. This representation along with calculations must be furnished to the first Respondent by 10 March 2025. The Respondents must decide on this issue and place such decisions before us by 24 March 2025. We clarify that if no reasoned decision is taken within this period, we shall proceed on the premise that the Petitioner's calculations are correct and issue necessary orders.

7. We list this matter on 1 April 2025 for final disposal at the admission stage. It was indicated earlier, we reiterated that we would be most reluctant to grant any adjournments. Despite our clear order made on 20 January 2025, we are anguished that the department did

> not choose to give proper instructions to their Counsel on the aspect of interest on refunds."

4. Today, Mr. Rattesor, learned Counsel for the Respondent tenders a calculation sheet in terms of which the additional Income Tax of Rs. 5,87,739/- becomes payable to the Petitioners. Mr. Rattesor states that this amount would be paid within some reasonable period that can be determined by this Court.

5. Learned Counsel for the Petitioner, on instructions, states that the calculations handed in by Mr. Rattesor are correct.

6. Accordingly, we direct the Respondents to credit the above amount of Rs. 5,87,739/- into the Petitioner's bank account within two weeks from today.

7. With these directions, we dispose of this Petition. No costs.

8. All concerned to act on an authenticated copy of this order.

(Jitendra Jain, J) **(M. S. Sonak, J)**