



**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION**

WRIT PETITION NO. 1032 OF 2025

Bhupendra C. Dalal

.. Petitioner

Versus

The Chief Commissioner of Income Tax
(Central) – 2 and Ors.

.. Respondents

***Mr. Rafique Dada, Senior Counsel, a/w Adv. Vipul B. Joshi and
Adv. Prashant Ghumare i/b Adv. Sruti Kalyanikar, for the Petitioner.***

Adv. Vipul A. Bajpayee, for the Respondent.

**CORAM: B. P. COLABAWALLA &
AMIT S. JAMSANDEKAR, JJ.**

DATE: OCTOBER 15, 2025

P. C.

1. The above Writ Petition challenges the order dated 21st July 2023 passed by Respondent No.1 under Sections 234A, 234B and 234C of the Income Tax Act, 1961 (for short “IT Act”). This application sought for waiver of interest levied by the Income Tax Department under the aforesaid provisions. The waiver was based on the circular issued by the CBDT on 23rd May 1996 under Section 119(2)(a), as also a subsequent circular dated 26th June 2006. The application for waiver of interest was dismissed by the impugned order, and hence, the present Writ Petition.

2. After we heard the learned Counsel for the parties for some time and when we found several infirmities in the impugned order, the learned Advocate appearing for the Revenue, on instructions, stated that the impugned order dated 21st July 2023 can be set aside and the matter be remanded back to the 1st Respondent for fresh hearing on the application filed by the Petitioner for waiver of interest.

3. Considering the fair stand taken by the Revenue, we hereby set aside the impugned order dated 21st July 2023. We also now direct that the 1st Respondent shall hear the application filed by the Petitioner under Sections 234A, 234B and 234C of the IT Act afresh, after giving a hearing to the Petitioner. We clarify that the Petitioner is free to produce whatever material he wants in support of his application for waiver of interest.

4. We initially fix the matter before the 1st Respondent on 6th November 2025, when the Petitioner will appear before the 1st Respondent. The 1st Respondent shall thereafter give all further directions as to how the application filed by the Petitioner is to proceed. We would request the 1st Respondent to dispose of the application filed by the Petitioner within 6 months from today. We again reiterate that before any order is passed by the 1st Respondent, he shall give a personal hearing to the Petitioner and allow him to produce whatever documents he so chooses, in support of his

application seeking waiver of interest. Only after that, the 1st Respondent shall pass a speaking order.

5. The Petitioner shall give full cooperation to the 1st Respondent in disposing of his application.

6. The Writ Petition is disposed of in the aforesaid terms. However, there shall be no order as to costs.

7. This order will be digitally signed by the Private Secretary/ Personal Assistant of this Court. All concerned will act on production by fax or email of a digitally signed copy of this order.

[AMIT S. JAMSANDEKAR, J.]

[B. P. COLABAWALLA, J.]