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

\+ W.P.(C) 476/2025 and CM APPL. 2221/2025

SUMIT SOMANI .....Petitioner

Through: Mr Vaibhav Gupta, Advocate.

versus

PRINCIPAL COMMISSIONER OF INCOME TAX- 12 & ORS. .....Respondents

Through: Mr Sanjeev Menon, JSC.

CORAM:
HON'BLE MR. JUSTICE VIBHU BAKHRU
HON'BLE MR. JUSTICE TEJAS KARIA

<u>O R D E R</u>

% 20.05.2025

1. The petitioner has filed the present petition, *inter alia*, praying as under:

> "A. Issue an appropriate writ in the nature of mandamus or any other appropriate writ(s), order(s) or direction(s) in the nature thereof directing the Respondents to process the Income tax return of the petitioner for the F.Y. 2013-14 (A.Y. 2014-15) onwards and allow the credit of the taxes paid by the petitioner;
>
> B. Issue an appropriate writ directing the Respondents to 'regularise/de-blacklist' the PAN number of the petitioner with the Income Tax Department;
>
> C. Issue an appropriate writ directing the respondent to refund the excess of Income tax paid by the petitioner during the course of the filing of income tax returns and payment of self-assessment taxes;
>
> D. Seeking a writ in the nature of mandamus or any other appropriate writ(s), order(s) or direction(s) in the nature thereof directing the Respondents to set aside the demand

> raised against the PAN number of the petitioner by the Income Tax Department."

2. The petitioner is essentially aggrieved by the petitioner's income tax returns not being processed. The petitioner is an individual and had filed his income tax return for Assessment Year [**AY**] 2015-16 claiming credit for the tax deducted at source [**TDS**] of ₹56,337/-. The petitioner states that the said TDS also included tax of ₹41,487/- deducted by a particular deductor, but not reflected. This resulted in a short fall of ₹41,487/- in the amount of tax. The petitioner states that on realising the same, he deposited the said amount of ₹41,487/- with the Income Tax Department vide challan No.09684 dated 05.11.2016. The petitioner also claims that it had thereafter pursued the department for processing of its returns, but the same were not processed.

3. The Revenue has filed a counter-affidavit claiming that the Techno Innovative Solutions [TAN:DELT11486G] was found to be involved in fraudulent activities of providing fake TDS credit to assessees. The said entity had also reflected TDS of ₹41,487/- to the credit of the petitioner, which was subsequently reversed. The averments made by the petitioner are confirmed by the averments made in the counter-affidavit to the effect that the petitioner had claimed TDS of ₹41,487/- but had subsequently deposited the same on the said credit being reversed by the deductor [Techno Innovative Solutions]. It is contended on behalf of the Revenue that the petitioner's claim that he was not aware that the TDS has been reversed is not tenable. It also appears that the petitioner's return has not been processed as his permanent account number [**PAN**] has been blacklisted. Resultantly, the petitioner cannot file any returns or deposit tax for future years as well, as his PAN has been blocked. Resultantly, the petitioner is not being

accorded the credit for the tax deposited by it for the future years as well. Additionally, the petitioner is unable to file its regular returns. This Court had pointedly asked the learned counsel for the Revenue as to the statutory provisions that enabled blocking of a PAN. However, he fairly states that there are no statutory provisions which empower the authorities to take any such steps. In view of the above, the action of the respondents to block the petitioner's PAN or black list the same, is unsustainable.

4. In the given facts, this Court considers it apposite to dispose of the present petition by directing the Revenue to immediately process the petitioner's returns for AY 2014-15 as prayed for by the petitioner and grant the credit for the taxes paid by him.

5. We clarify that this would not preclude the Revenue from taking any other steps in case of any statutory infraction *albeit* in accordance with law. The petition is disposed of in the aforesaid terms.

6. We accordingly direct the Revenue to take note of the petitioner's return for AY 2014-15 and take necessary steps in accordance with law.

7. We clarify that the petitioner will be accorded full credit for the taxes paid by him and/or deposited to his credit *albeit* in accordance with law.

8. Nothing stated in this order shall be construed as relaxing any period of limitation that may be specified under the Act.

VIBHU BAKHRU, J

TEJAS KARIA, J

MAY 20, 2025/tr

Click here to check corrigendum, if any