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

\+ W.P.(C) 1106/2025 and CM APPL. 5467/2025

BRINDA ARENJA .....Petitioner

Through: Mr Satyen Sethi, Advocate.

versus

DEPUTY COMMISSIONER OF INCOME TAX, CENTRAL CIRCLE -18 & ANR. .....Respondents

Through: Mr Vipul Agrawal with Ms Sakshi and Mr Akshat, Singh, Advocates.

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

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

% **21.03.2025**

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

> "(i) A Writ of Mandamus or Writ, Order or Direction in the nature of Mandamus or any other appropriate Writ, Order or Direction under Article 226 / 227 of the Constitution of India, directing Respondents particularly Respondent No.l to issue refund of Rs. 11,09,568/-, for the assessment year 1997-98 with up-to date interest under section 240 read with Section 244A of the Act."

2. The petitioner had filed its return of income for the Assessment Year **[AY]** 1997-98 on 27.06.1997. The learned Assessing Officer **[AO]** during the assessment under Section 143(3) of the Income Tax Act, 1961 **[the Act]** making an addition of ₹46,34,410/- under Section 69 of the Act on account of difference in the value of the cost of acquisition of an immovable property and its fair market value.

3. The petitioner had successfully appealed the said decision before the

Commissioner of Income Tax (Appeals) **[CIT(A)]** and by an order dated 04.09.2000, the learned CIT(A) had set aside the assessment order dated 31.03.2000 and remanded the matter to the AO to decide afresh. Pursuant to the said order, the AO had once again framed an assessment making an addition of ₹46,34,410/-. In view of the above, the petitioner had made a deposit of ₹5,15,082/- during the period 03.07.2002 to 17.02.2004. The petitioner also appealed the assessment order before the learned CIT(A) which was partly allowed by an order dated 27.02.2003. The Revenue appealed the said decision of the learned CIT(A) before the learned Income Tax Appellate Tribunal **[ITAT]** which was dismissed by an order dated 27.10.2005.

4. The Revenue filed the appeal against the said order passed by the learned ITAT before the Allahabad High Court which too was dismissed by an order dated 06.01.2017. Thereafter, the petitioner requested the AO to give effect to the order passed by the learned ITAT. On 01.03.2023, an order under Sections 254/250/143(3) of the Act was passed computing the total income at ₹2,42,920/- and a refund due to the petitioner at ₹11,09,568/-. The said amount of refund included tax of ₹5,14,083/- and interest under Section 244A of the Act, which was computed at ₹5,95,485/-.

5. The petitioner also furnished an indemnity bond on 09.08.2023 as required by the AO confirming that it had neither claimed credit of tax of ₹70,169/- nor had received any refund.

6. Although the refund due to the petitioner was determined way back on 01.03.2023, the same has not been released to the petitioner yet.

7. The learned counsel appearing for the Revenue submits on instructions that the Revenue has not been able to process the disbursement

of the refund as the challans have not been digitally uploaded. He submits that the Revenue has been searching the records and has sent various communications internally for the details of the challans to be captured on the framework in order for the refund to be disbursed. He submits that the said exercise would be completed shortly and the delay in disbursement is solely on account of migration to technical system as adopted by the Revenue.

8. Undisputedly, the disbursement of the refund due to the petitioner cannot be delayed inordinately on account of the Revenue facing any technical challenges relating to its system or processes. We also note that in view of the delay in disbursement of the refund, the quantum of refund would also change on account of increase in the quantum of interest.

9. In view of the above, we direct the respondents to process the refund due to the petitioner alongwith further interest as applicable, as expeditiously as possible, and in any event, within a period of twelve weeks from date. In the event, the respondents face any technical challenges, the refund shall be disbursed by processing the same manually. We clarify that the challenge faced by the Revenue regarding its processes or its systems would not be the ground for non-disbursal of the said refund.

10. The writ petition is disposed of in the aforesaid terms. Pending application also stands disposed of.

VIBHU BAKHRU, J

TEJAS KARIA, J

MARCH 21, 2025/tr

Click here to check corrigendum, if any