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

\+ W.P.(C) 3411/2025 CM APPL. 16089/2025

HANS RAJ DHANKAR .....Petitioner

Through: Mr Himanshu Upadhyay and Ms Ruby Sharma, Advocates.

versus

ASSISTANT COMMISSIONER OF INCOME TAX .....Respondent

Through: Mr Sanjay Kumar, SSC, Ms Monica Benjamin and Ms Easha Kadian, JSCs for the Revenue.

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

ORDER

% **27.03.2025**

1. The petitioner has filed the present petition, *inter alia,* impugning an order dated 27.02.2024 [**impugned order**] passed by the respondent whereby the petitioner's application for stay of demand during the pendency of the appeal before the Commissioner of Income Tax (Appeals) [**CIT(A)**] was not acceded to. The petitioner was further called upon to deposit twenty per cent of the disputed demand in terms of the CBDT instruction number 1914 and as partially modified by Office Memorandum dated 31.07.2017.

2. The petitioner was issued a notice under Section 148 of the Income Tax Act, 1961 [**the Act**] alleging that his income had escaped assessment for Assessment Year [**AY**] 2016-17 within the meaning of Section 147 of the Act. The petitioner was called upon to file the return for the relevant AY.

3. Thereafter, the petitioner was issued various notices, however, it is alleged that the petitioner did not provide the information as sought for by the Assessing Officer [**AO**].

4. Resultantly, the proceedings culminated in the assessment order dated 31.03.2022 whereby the AO made an addition of ₹ 10,00,00,000/- over and above the income of ₹ 1,29,08,310/- as returned by the petitioner.

5. A plain reading of the assessment order does not clearly indicate the ground on which the said addition has been made. Although the assessment order refers to Section 69A of the Act, the petitioner had denied that he had received any such sum during the Financial Year 2015-16 relevant to AY 2016-17. The petitioner had also called upon the AO to indicate the basis on which the petitioner is stated to have received the said amount or the details of the transaction on the basis of which the addition is sought to be made. However, the record, as produced, does not indicate any comprehensible reasons, which could possibly lead to the addition.

6. Mr Kumar, learned counsel appearing for the Revenue is unable to refer to any reasons discernable from the assessment order on the basis of which the addition is made.

7. Whilst it does appear that some allegations have been made, we are at a loss to understand precisely as to what the AO has alleged. We also requested Mr Kumar, to explain the transaction, however, he is also unable to explain as to what exactly is the allegation on the basis of which the assessment order is passed.

8. In the given circumstances of this case, it would be manifestly erroneous to compel the assessee to deposit any amount against the demand raised, the reasons of which, as stated above, are difficult to comprehend. Accordingly, we allow the present petition and restrain the Revenue from taking any steps (coercive or otherwise) for recovery of the demand pursuant to the assessment order, till the disposal of the appeal, preferred by the

petitioner.

9. The petition is allowed in the aforesaid terms. The pending application is also disposed of.

VIBHU BAKHRU, J

TEJAS KARIA, J

MARCH 27, 2025/sms

Click here to check corrigendum, if any