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

\+ **W.P.(C) 5811/2025 & CM APPL. 26502/2025**

UPAJ LEASING AND FINANCE COMPANY PVT. LTD.
.....Petitioner

Through: Ms Surbhi Chandra, Advocate.

versus

ACIT CIRCLE 25 OLD WARD NO. 27(1) & ORS.
.....Respondents

Through: Mr Anurag Ojha, SSC, Ms Hemlata Rawat, and Mr V K Saksena, JSCs, Mr Dipak Raj and Mr Shubham Kumar, Advocates.
Mr Siddhartha Shankar Ray, CGSC and Ms Smritika Kesri, Advocate for R4.

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

O R D E R

% **01.07.2025**

1. The petitioner has filed the present petition, *inter alia,* praying that directions be issued for stay the demand of ₹61,65,63,033/- in respect of the Assessment Year [**AY**] 2016-17 pending the disposal of the petitioner's appeal before the Commissioner of Income Tax (Appeals) [**CIT(A)**].

2. The petitioner had furnished return of its income declaring the total income of ₹13,63,530/- in respect of the AY 2016-17. The petitioner's return was selected for scrutiny. The assessment proceedings culminated in an assessment order dated 26.12.2018, whereby the petitioner's income for the AY 2016-17 was assessed at ₹1,34,27,45,710/-. The petitioner claims that the said assessment is high-pitched and is otherwise unsustainable.

3. The petitioner also filed an appeal against the assessment order on

07.01.2019. However, the petitioner's appeal has not been heard and decided as yet. In the meanwhile, the petitioner states that the Revenue has recovered an amount of ₹3,63,81,798/-, by adjusting the refund due to the petitioner for the subsequent years. The said amount is approximately six percent of the outstanding demand.

4. The petitioner is essentially aggrieved by the action of the Revenue in freezing its bank account. The said action has brought the petitioner's business to a standstill and it is in these facts, the petitioner has approached this Court.

5. Mr Ojha, the learned counsel appearing for the Revenue states that the petitioner's bank account currently holds a balance of over ₹6.00 Crores. He states on instructions that the Revenue may be permitted to appropriate the said amount and the petitioner may be permitted to continue the operation of the bank account. He fairly states that since the petitioner's appeal is pending for over six years, directions be issued for time bound disposal of the said appeal.

6. Considering the submissions made on behalf of the Revenue, we consider it apposite to direct the concerned CIT(A) to decide the petitioner's appeal in accordance with law as expeditiously as possible and in any event within a period of six weeks from date. In the meanwhile, the petitioner would be at liberty to operate the bank account; however, the current balance shall not be withdrawn until the disposal of the appeal by the CIT(A). In other words, the petitioner would be entitled to deposit further sums in the bank account and may withdraw those amounts for the purpose of its business. However, no amount from the existing balance in the bank account shall be withdrawn till the petitioner's appeal is disposed of.

7. We also clarify that, in the event the petitioner does not prevail in its appeal before the CIT(A), the Revenue's order freezing the petitioner's bank account shall stand revived.

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

VIBHU BAKHRU, J

TEJAS KARIA, J

JULY 01, 2025
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Click here to check corrigendum, if any