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

\+ W.P.(C) 7521/2025

DHR HOLDING INDIA PRIVATE LIMITED .....Petitioner

Through: Mr Manuj Sabharwal with Mr Drona Negi, Advocates.

versus

DEPUTY COMMISSIONER OF INCOME-TAX TDS, CIRCLE 74(1), DELHI & ORS. .....Respondents

Through: Mr Sunil Agarwal, SSC with Ms Priya Sarkar, JSC.

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

ORDER

% **28.05.2025**

CM APPL. 33607/2025

1. Exemption allowed, subject to all just exceptions.

2. The application is disposed of.

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3. Issue notice. The learned counsel appearing for the Revenue accepts notice.

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

> "a. Issue of a writ in the nature of certiorari or mandamus or other appropriate writ(s), order(s), direction(s) quashing the impugned demand of Rs. 76,82,220 determined vide revised intimation dated 04.09.2015 (Annexure P-1) being completely contrary to proviso to s. 201(1A) of the Income-Tax Act, 1961 and in violation of the judgment of the Supreme Court in Hindustan Coca Cola;
> b. Issue appropriate directions to the Respondents to not initiate any recovery proceedings in relation to the impugned demand of Rs 76,82,220."

5. The petitioner states that it had made a payment of ₹29,54,70,000/- to one M/s Lab India on account of non-compete fees under the Business Transfer Agreement dated 11.11.2021. The said entity M/s Lab India had filed its return of income on 29.09.2012 for Assessment Year [**AY**] 2012-13 and had offered the said amount to tax. Form 26A issued by an independent Chartered Accountant also establishes the same. It is the petitioner's case that in view of the above at best the petitioner would be liable to pay interest on the amount of ₹29,54,70,000/- from 12.11.2011, being the date on which the payment was made, till 29.09.2012, being the date on which M/s Lab India had filed its return. It is also submitted that there is no cavil that the tax stands paid.

6. Mr Agarwal, the learned counsel appearing for the Revenue, fairly states that the impugned demand notice may be set aside and the matter be remanded to the Assessing Officer [**AO**] to re-examine the assessment regarding the quantum of interest payable by the petitioner. The said course commends itself to us.

7. We accordingly set aside the impugned intimation dated 04.09.2015 raising a demand of ₹76,82,220/- and restore the matter before the learned AO for consideration afresh.

8. The petition is disposed of with the aforesaid directions.

VIBHU BAKHRU, J

TEJAS KARIA, J

MAY 28, 2025/tr

Click here to check corrigendum, if any