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

\+ W.P.(C) 3232/2026, CM APPL. 15576/2026 & CM APPL. 15577/2026

MOHAN BROTHERS PRIVATE LIMITED & ANR. .....Petitioners

Through: Mr. Salil Kapoor, Ms. Ananya Kapoor, Mr. Sumit Lalchandani & Mr.Shivam Yadav, Advs.

versus

DCIT, CIRCLE 16(1) DELHI & ANR. .....Respondents

Through: Mr. Gaurav Gupta, SSC, Mr.Shivendra Singh and Mr. Yojit Pareek, JSCs and Mr. Surya Jindal, Adv.

CORAM:
HON'BLE MR. JUSTICE DINESH MEHTA
HON'BLE MR. JUSTICE VINOD KUMAR

O R D E R

% **19.03.2026**

1. The petitioners have approached this Court with a grievance that their appeals are lying pending before the Commissioner of Income Tax (Appeals), New Delhi *(hereinafter referred to as 'Appellate Authority')* for more than 12 years and neither the stay applications, nor the appeals have been decided and in the meantime, bank accounts of the petitioners have been seized.

2. Learned counsel for the petitioners submitted that attachment of the bank accounts has adversely affected petitioners' Fundamental Right to carry on its trade and business enshrined under Article 19(i)(g) of the Constitution of India. He argued that the non-consideration of the petitioners' appeals on

merits has seriously prejudiced them and since the Appellate Authority constituted under the Income Tax Act, 1961, itself is at fault in not deciding the petitioners' appeal for 12 long years which was filed challenging the action of the Assessing Officer hence, coercive measure which is adopted i.e. attachment of the bank accounts of the petitioners, deserves to be quashed.

3. Learned counsel for the respondent on the other hand submitted that the Director/Representative of petitioner no.1 itself had wrote and gave concession before the Appellate Authority on 27.06.2014 that 30% of the demand would be paid in nine equal installments while praying for grant of stay.

4. He argued that once the assessee had himself taken this stand before the Appellate Authority that too in writing, approaching this Court at this juncture and raising grievances against the actions of the respondent is highly objectionable. He argued that may be there has been some delay on the part of the Appellate Authority but no indulgence is warranted in the instant case.

5. Having heard learned counsel for the parties, we are of the view that the petitioners having volunteered to deposit 30% of the demand cannot wriggle out of the concession made by it.

6. True it is, that prolongation caused due to the pendency of the appeal has resulted in adverse consequences to the petitioners and the attachment of bank accounts will further the problems of the petitioners.

7. In the interest of justice, we deem it appropriate to direct the petitioners to deposit an amount of Rs.50 lakh (which would make the total payment to roughly 20% of the demand) on or before 30.04.2026. However, with a view to enable the petitioners to arrange for funds, we direct the Assessing Officer to forthwith withdraw or lift the attachment of the petitioners' bank accounts.

On production of a web copy of the order instant, the jurisdictional Assessing Officer shall issue a communication/instruction to the bank to lift the seizure.

8. In case, there is an amount of more than Rs. 1 lakh lying in credit in the bank accounts of the petitioners, the Department shall be free to appropriate any amount over and above Rs. 1 lakh in petitioners' bank accounts, subject of course to outer limit of Rs. 50 lakh. Needless to say that if any amount is appropriated by the department, the same shall be adjusted with the amount ordered to be paid by this instant order and the petitioners will be required to deposit the remaining amount.

9. We make it clear that in case the petitioner omits to deposit Rs.50 lakh as has been ordered by us in the instant order by 30.04.2024, the respondent-department shall be free to take any measure as deemed expedient including attachment of petitioners' bank accounts again.

10. The petition is disposed of. All pending applications are also disposed of.

DINESH MEHTA, J

VINOD KUMAR, J

MARCH 19, 2026
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