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

\+ CS(OS) 347/2022

SMT MEERA BHATTACHARYA & ORS. .....Plaintiffs

Through: Mr. Rajeshwer Kumar Gupta, Ms. Anisha Yadav, Ms. Meenakshi, Advocates

versus

DEBASHISH CHAKRABORTY .....Defendant

Through: Mr. Raja Chatterjee, Ms. Shweta Roy, Ms. Chumthunglo Zngullie, Advs.

CORAM:
HON'BLE MR. JUSTICE SUBRAMONIUM PRASAD

O R D E R

% 24.04.2026

I.A. 10026/2026

1. This is an application on behalf of the Defendant for a direction to the Plaintiffs to accept the Demand Drafts of Rs.3,75,00,000/- prepared in terms of the Settlement Agreement dated 06.02.2026 arrived at between the parties.

2. Inadvertently, an error has crept in Paragraph 7 of the Order dated 13.04.2026, wherein *'party to the third party of the Settlement Agreement dated 06.02.2026'* has been mentioned instead of *'who is the third party to the Settlement Agreement dated 06.02.2026*. The said error is corrected accordingly.

3. Paragraph 7 of the Order date 13.04.2026 will now read as under:-

> *"7. This Court is not inclined to accept the*

argument of the learned Counsel for the Plaintiff. In the opinion of this Court, the amount is being given to the Plaintiffs under a family settlement wherein one member of the family has agreed to pay the amount to another member of the family. This Court is, therefore, of the opinion that the payment made by the Builder-cum-Promoter on behalf of the Defendant, who is the third party to the Settlement Agreement dated 06.02.2026, the terms of which has been agreed between the Parties will not cause any prejudice to any Party."

4. Apropos to the Order dated 13.04.2026, Demand Drafts drawn by Axis Bank, Chittaranjan Park, New Delhi have been issued in terms of the Settlement Agreement dated 06.02.2026, in the following manner:-

Sr. No.	Name of the Recipient	Serial No. of the Demand Draft	Amount
1.	Sharmishta Chakravorty	32736	Rs.30,93,750/-
2.	Sangeeta Chakravorty	32733	Rs.30,93,750/-
3.	Tanmay Chakraborty	32732	Rs.30,93,750/-
4.	Meera Bhattacharya	32735	Rs.92,81,250/-
5.	Shipra Chattopadhyay	32731	Rs.92,81,250/-
6.	Ashish Chakravorty	32734	Rs.92,81,250/-

5. This Court on 13.04.2026 has recorded that the parties have amicably settled their disputes in the suit, which is for partition of the property bearing No.8, Pocket-K, popularly known as K-8, Chittaranjan Park, New Delhi-110019. The entire settlement agreement has been reproduced in the Order dated 13.04.2026.

6. The only issue that remained at that point was that since the Builder-

cum-Promoter was to make the payment, the Plaintiffs were not accepting the money from the Builder-cum-Promoter on the ground that the Plaintiffs would not get the benefit under Section 56(2)(vii) of the Income Tax Act, 1961. This Court clarified the position that there will be no impediment inasmuch as it is immaterial as to who should make the payment, i.e., the Builder-cum-Promoter or the Defendant, who is a party to the Settlement Agreement.

7. Learned Counsel for the Defendant states that the entire amount has been paid by different Demand Drafts. However, the Defendant has deducted 1% of the amount for deposit with the Income Tax authorities under Section 194-IA of the Income Tax Act, which is reproduced as under:-

> ***"194-IA. Payment on transfer of certain immovable property other than agricultural land.—***
>
> *(1) Any person, being a transferee, responsible for paying (other than the person referred to in Section 194-LA) to a resident transferor any sum by way of consideration for transfer of any immovable property (other than agricultural land), shall, at the time of credit of such sum to the account of the transferor or at the time of payment of such sum in cash or by issue of a cheque or draft or by any other mode, whichever is earlier, deduct an amount equal to one per cent of such sum [or the stamp duty value of such property, whichever is higher,] as income tax thereon.*
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> *(2) No deduction under sub-section (1) shall be made where the consideration for the transfer of an [immovable property and the stamp duty value of such property, are both,] less than fifty lakh rupees:*
>
> *[Provided that where there is more than one transferor or transferee in respect of any immovable*

property, then the consideration shall be the aggregate of the amounts paid or payable by all the transferees to the transferor or all the transferors for transfer of such immovable property.]

(3) The provisions of Section 203-A shall not apply to a person required to deduct tax in accordance with the provisions of this section.

Explanation.—For the purposes of this section,—
(a) "agricultural land" means agricultural land in India, not being a land situate in any area referred to in items (a) and (b) of sub-clause (iii) of clause (14) of Section 2;

[(aa) "consideration for transfer of any immovable property" shall include all charges of the nature of club membership fee, car parking fee, electricity or water facility fee, maintenance fee, advance fee or any other charges of similar nature, which are incidental to transfer of the immovable property;]

(b) "immovable property" means any land (other than agricultural land) or any building or part of a building.]

[(c) "stamp duty value" shall have the same meaning as assigned to it in clause (f) of the Explanation to clause (vii) of sub-section (2) of Section 56."

8. Since the deducted amount of 1% has been deposited by the Defendant with the income tax authorities in view of the provisions of the Income Tax Act, this Court is of the opinion that the settlement agreement entered into between the parties has not been breached. If the Plaintiffs are of the opinion that the said amount ought not to be paid to the income tax authorities and want the said amount of money, they can avail remedies as

available to them under the Income Tax Act before the income tax authorities.

9. Since the suit has been settled between the parties, the Plaintiffs are entitled to a refund of the entire court fee in terms of Section 16 of the Court Fees Act. The Registry is directed to refund the entire court fees to the Plaintiffs.

10. With these observations, the suit is disposed of along with pending application(s), if any.

11. Since the present suit has been disposed of, TEST.CAS. 60/2023 & TEST.CAS. 61/2023 can also be disposed of in view of the settlement agreement entered into between the parties.

12. List TEST.CAS. 60/2023 & TEST.CAS. 61/2023 on 25.04.2026.

13. The next date already fixed before the learned Joint Registrar, i.e., 11.05.2026, stands cancelled.

SUBRAMONIUM PRASAD, J

APRIL 24, 2026
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