

Smt. Kusum Maheshwari v. Union Of India Thru. Secy. Ministry Of Finance , Income Tax Deptt. , New Delhi And Others

WRIT TAX No. 206 of 2024

2024:AHC-LKO:53628-DB | 2024-08-05

Petitioner to file an interim-relief application in the pending appeal within one week; if filed, appellate authority to decide it on merits within three weeks thereafter. Writ disposed of.

156 | 221(1) | 246A | 139 | 148 | 153

Division Bench | Sangeeta Chandra | Shree Prakash Singh

01 FACTS OF THE CASE

For AY 2016-17 the petitioner challenged assessment/demand dated 21 March 2022 and a 27 May 2024 Section 221(1) notice while her appeal remained pending. She complained that assessment preceded the valuation report.

Source: [PDF p.1](#); [PDF p.2](#)

02 DISCUSSION BY THE HON'BLE COURT

Counsel debated whether interim relief had been sought in the appeal. The Court resolved the immediate procedural route rather than valuation or limitation merits.

Source: [PDF p.2](#); [PDF p.3](#)

03 JUDICIAL DECISION

Petitioner to file an interim-relief application in the pending appeal within one week; if filed, appellate authority to decide it on merits within three weeks thereafter. Writ disposed of.

Source: [PDF p.3](#)

04 OUTCOME / IN WHOSE FAVOUR

A timetable for deciding interim relief was granted, not interim relief itself or quashing of assessment.

Source: [PDF p.3](#)

05 EXPERT COMMENTS

AKHB EXPERT COMMENTS — editorial analysis, distinct from the Court's findings.

The route selected by the Court — Although the petition sought quashing of assessment and demand, action on the valuation report, and relief connected with penalty and the pending appeal, the Court chose a narrower procedural solution: require an interim-relief application before the appellate authority and a prompt decision on it. This preserves the distinction between the challenge to the assessment and the immediate request for protection during the appeal. It does not resolve the valuation dispute or the asserted limitation error. (Source: Prayers on pp.1–2 and operative direction on p.3; PDF 1,2,3.)

Why proof of the interim application matters — The petitioner said interim relief had not been considered; Revenue said no interim-relief application had been filed. The direction to file within one week avoids treating either assertion as an adjudicated fact and creates a definite procedural step. A pending appeal does not by itself establish that a separate application for interim protection is awaiting decision. In a comparable record, the application itself, acknowledgment, grounds and relief requested are central to demonstrating that a decision is overdue. (Source: Rival submissions at end of p.2 and beginning of p.3; PDF 2,3.)

The clocks and the protection actually obtained — The petitioner was to apply within one week from the order dated 5 August 2024. If such an application was made, the appellate authority was to decide it on merits within three weeks thereafter. The second period is conditional on the application, not an unconditional three-week deadline from the writ order. This grants a decision timetable, not a favourable decision, a recovery stay, waiver of a deposit condition or disposal of the main appeal. The taxpayer therefore still needed a decision on the interim application; the writ order itself did not provide recovery protection. (Source: Complete operative direction; PDF 3.)

Valuation and source limits — The complaint that assessment preceded the valuation report and ignored Explanation 1(v) to Section 153 remains a submission, not a holding that the assessment was time-barred or that the purchase price was correct. The source also contains inconsistent demand figures in words and numerals, and an appellate reference containing 2015-16 although the assessment prayer specifies AY 2016-17. These discrepancies should be checked against the underlying assessment and appellate record before quantitative reliance. Neither the final valuation nor later recovery or appellate developments is established by this order. (Source: Prayer and valuation/limitation submissions; PDF 1,2.)

Source: [The route selected by the Court: PDF p.1](#); [The route selected by the Court: PDF p.2](#); [The route selected by the Court: PDF p.3](#); [Why proof of the interim application matters: PDF p.2](#); [Why proof of the interim application matters: PDF p.3](#); [The clocks and the protection actually obtained: PDF p.3](#); [Valuation and source limits: PDF p.1](#); [Valuation and source limits: PDF p.2](#)

SOURCE & VERIFICATION

Supplied court order - exact individual source bytes verified

Complete supplied 3-page original read and visually inspected; original bytes independently SHA-256 verified against source map and ledger. No present-law or subsequent-treatment clearance is claimed.

Open cited source rendition

STATUTORY SCOPE

Only source-identified provisions are recorded. No current monetary threshold, current statutory equivalence or 2025 Act applicability is inferred.

LATER TREATMENT

Source checked 2026-10-21. Subsequent proceedings and current precedential treatment have not been comprehensively verified.

AI DISCLOSURE

This AKHB research note was prepared with AI assistance from an identified primary report. Independent human review is not represented.

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