M/S ROULUNDS CONDAN INDIA LTD. v. DY.COMMISSIONER OF INCOME TAX

W.P.(C) 12499/2005

No neutral citation stated in source | 2026-01-12

Interest-demand writ became infructuous after favourable appeal effect and refund.

220(2) | 254 | 143(3) | 260A

High Court of Delhi | Division Bench | Dinesh Mehta | Vinod Kumar

Assessment years: Not specified in source

01 FACTS OF THE CASE

The writ challenged a computation and sought relief against Rs.53,89,122 described as section 220(2) interest. Counsel traced the dispute to a Rs.1 crore capital-expenditure addition in the 17 March 1999 section 143(3) assessment, restored by the Tribunal on 24 March 2000. The taxpayer's section 260A appeal, ITA 325/2005, was allowed on 20 April 2018. Counsel produced the 31 July 2020 appeal-effect order and stated that refund had been made.

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02 DISCUSSION BY THE HON'BLE COURT

In view of the favourable appeal outcome, subsequent appeal effect and refund placed before it, the Court found that nothing remained to be adjudicated in this writ. It did not decide afresh the legality or computation of section 220(2) interest.

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03 JUDICIAL DECISION

The writ petition was dismissed as infructuous.

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04 OUTCOME / IN WHOSE FAVOUR

The writ closed after the recorded appeal effect and refund. This order neither made a fresh refund award nor independently quashed the interest demand on a substantive statutory ground.

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05 EXPERT COMMENTS

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

The operative basis is subsequent satisfaction of the dispute — The Rs.53,89,122 figure belongs to the challenged interest demand; the source does not identify it as the amount refunded. The Court relied on the subsequent appeal-effect order and reported refund to conclude that no adjudication remained. A case note or account reconciliation should keep those two amounts conceptually separate.

This is not a new ruling on interest liability — The section 220(2) challenge explains the writ's subject, but the Court did not analyse when interest starts, ceases or must be recomputed. The favourable section 260A decision of 2018 is part of the history, not reasoning reproduced and adopted on the interest question in this order. Any substantive proposition needs that underlying authority.

Use the appeal-effect record for implementation questions — The 31 July 2020 order is the identified implementation document. Questions about the amount, calculation or completeness of refund require that record; this short disposal does not supply those details or set a further payment deadline. The inconsistent year in the quoted prayer should be checked against the original impugned document rather than corrected by assumption.

Source: PDF p.1

SOURCE & VERIFICATION

Delhi High Court original order - verified repository copy

2-page official High Court of Delhi judgment PDF (DLHC010650922005_1_2026-01-12.pdf).

All 2 original pages read and visually inspected; all five panels audited.

Open cited source rendition

Both source pages read and visually inspected. Quoted prayer gives 17 May 2025 for an order alongside a 17 May 2005 computation and 15 July 2005 letter; that date inconsistency is preserved, not silently corrected.

STATUTORY SCOPE

Section 220(2) appears in the relief sought; sections 254, 143(3) and 260A occur in the quoted prayer or procedural history. No fresh interpretation of those provisions was given.

LATER TREATMENT

Source checked 2026-10-21. Subsequent treatment has not been independently verified.

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

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