

High Pitched Income Tax Demand of Rs 1140 crores on Oyo: Delhi HC directs CIT to grant a Personal Hearing

Oyo Hotels and Homes Pvt Ltd (W.P.(C) 2085/2023)

Facts:

1. OYO (petitioner), had challenged the order denying the stay on the recovery of the complete tax demand. The petitioner asked the department not to treat the company as an assessee in default under Section 220(6) of the Income-tax Act, 1961, for the entire outstanding demand of Rs. 11,39,93,05,320 until the Commissioner of Income-tax (Appeals) decided the appeal.
2. The grievance of the petitioner, which is also obvious, is that the Commissioner of Income Tax (CIT) has not dealt with its application, preferred before him, in respect of the order dated 01.02.2023 passed by the Assessing Officer (AO) under Section 220(6).
3. The petitioner has preferred an application dated 01.02.2023 which, it appears, has not been disposed of by the CIT.

Hon Delhi HC held as below:

1. The CIT is directed to dispose of the application at the earliest, though not later than four weeks from the date of the receipt of a copy of the order passed.
2. The CIT will accord a personal hearing to the authorized representative of the petitioner, and also allow filing of written submissions.
3. It is also made clear, that in case an order is passed by the CIT, which is adverse to the interests of the petitioner, the order of the CIT will not be given effect to, for a period of two weeks from the date when the order is received by the petitioner.