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

\+ W.P.(C) 9080/2024

MUKESH MANGLA .....Petitioner

Through: Mr. Arvind Kumar, Adv.

versus

PRINCIPAL DIRECTOR OF INCOME TAX (INVESTIGATION) AND ANR .....Respondents

Through: Mr. Vipul Agarwal, SSC.

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

<u>O R D E R</u>

% **22.04.2026**

1. The petitioner has challenged the search proceedings and sought a direction for release of the jewellery which was seized during search.

2. He submitted that during the pendency of the present writ petition the Assessing Officer has passed an assessment order on 30.03.2026 and out of the jewellery worth Rs. 24,22,763/- the entire jewellery except jewellery worth Rs. 1,71,310/- has been treated as explained.

3. He prayed that he would not press the case about the legality of the search, however, a direction be issued to the respondents to release the jewellery which was seized, while informing that he has deposited the entire demand (Rs.73,350/-) on 17.04.2026.

4. Mr. Vipul Agarwal, learned Senior Standing Counsel for the respondents on the other hand submitted that the penalty proceedings are yet

to be completed and unless the demand arising out of the penalty proceedings is finalized, no order for the release of jewellery be passed.

5. The respondent-Assessing Officer is directed to calculate and inform Mr. Vipul Agarwal, the maximum amount of penalty which is likely to be imposed upon the petitioner, if he is not satisfied with the explanation furnished by the petitioner.

6. At this juncture, it is informed by Mr. Arvind Kumar, learned counsel for the petitioner, that the petitioner has filed reply in response to the notice of penalty and nothing more is to be added by the petitioner; therefore in order to give a quietus to the dispute, Assessing Officer be directed to pass final order *qua* the penalty proceedings.

7. List this case on 19.05.2026.

8. The Assessing Officer is directed to pass final order in accordance with law, pursuant to the penalty notice issued to the petitioner.

DINESH MEHTA, J

VINOD KUMAR, J

APRIL 22, 2026/*sr*