



**IN THE HIGH COURT OF JUDICATURE AT BOMBAY**  
**ORDINARY ORIGINAL CIVIL JURISDICTION**  
**WRIT PETITION (L) NO. 40356 OF 2025**

Lintas India Pvt. Ltd.

.. Petitioner

**Versus**

Assistant Commissioner of Income Tax  
Circle 16(1), Mumbai & Ors.

.. Respondents

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**Adv. Dharan V. Gandhi a/w Adv. Aanchal Vyas** for the Petitioner.

**Adv. P. A. Narayanan**, for the Respondents.

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**CORAM: B. P. COLABAWALLA &  
FIRDOSH P. POONIWALLA, JJ.**

**DATE: FEBRUARY 16, 2026**

**P. C.**

1. Rule. Respondents waive service. With the consent of parties, Rule made returnable forthwith and heard finally.

2. By this petition filed under Article 226 of the Constitution of India, the Petitioner seeks directions against the Respondents to grant refunds of Fringe Benefit Tax ('FBT') for the Assessment Years ('AY') 2006-07, 2007-08, 2008-09, and 2009-10, which have been withheld for several years despite numerous applications and reminders.

3. The brief facts giving rise to the present petition are as under:



(a) For AY 2006-07: The Petitioner filed its FBT return on 14th November 2006, claiming a refund of Rs.8,83,193/-. The said refund was never issued. The Petitioner filed several letters and emails, requesting the grant of the refund, but to no avail.

(b) For AY 2007-08: The Petitioner filed its FBT return on 30th October 2007, claiming a refund of ₹31,40,397/-. This refund was also not issued. The Petitioner followed up with multiple applications without any response from the Respondents.

(c) For AY 2008-09: The Petitioner filed its FBT return on 11th March 2010, claiming a refund of ₹12,22,082/-. Such refund was converted into a demand, as credit of advance tax was denied to the tune of Rs. 32,22,082/-. Further, the Respondents issued a communication on 8th November 2011, proposing to adjust refund against a purported demand of Rs.20,86,985/-. The Petitioner objected to this incorrect demand vide letter dated 13th December 2011. Subsequently, this alleged demand was adjusted against a refund due to the Petitioner for AY 1993-94. Despite follow-up applications, the incorrect demand was not reversed, and the refund was not granted.



(d) For AY 2009-10: The Petitioner filed its FBT return on 27th September 2009, claiming a refund of ₹17,86,671/-. However, an intimation was issued determining a demand of ₹1,07,21,750/-, by denying credit of advance tax paid of Rs. 1,05,00,000/-. Such demand was then adjusted against a refund due to the Petitioner in its normal income tax return for the same year. The Petitioner filed a rectification application on 26th October 2010, pointing out that credit for advance tax of ₹1,05,00,000/- had not been granted. No action was taken on this application. Further, a sum of Rs.8,24,793/- was adjusted against this demand from a refund due for AY 2016-17. Numerous reminders sent by the Petitioner have yielded no results.

4. Mr. Gandhi, the learned counsel appearing for the Petitioner, submitted that despite various representations, applications, and reminders over several years, the Respondents have failed to process the undisputed refunds and have not passed orders on the rectification applications filed by the Petitioner. He argued that the Respondents are statutorily bound to process these applications and grant refunds within a reasonable time and their failure to do so is arbitrary and illegal.



5. Per contra, Mr. Narayanan, the learned counsel for the Respondents, relies on the Affidavit-in-Reply dated 28th January 2026, filed by Ms. Shrutisha S. Patade, Assistant Commissioner of Income-Tax. The primary argument of the Department is that there was a technical constraint in the system. It is contended that for AY 2006-07 to AY 2009-10, the online rectification facility was not available on the ITBA System. While manual rectification was possible, the functionality to upload manual rectification orders specifically for FBT returns was constrained and resulted in system errors, which prevented the finalization of the orders.

6. We have heard the learned counsel for the parties and have perused the papers and proceedings in the Writ Petition. The facts, as narrated by the Petitioner, are not in dispute. The Affidavit-in-Reply filed on behalf of the Respondents confirms the factual position regarding the filing of returns, claims for refund, and the various applications made by the Petitioner. The entitlement of the Petitioner to the refunds and wrongful denial of the credit of advance tax is also not disputed.

7. The only justification offered for this prolonged inaction is a technical issue within the Department's own ITBA system. In our view, the Petitioner's grievances are wholly justified. The system is a creation of the



Department, and its internal technical glitches or lack of functionality cannot be cited as a reason to deny a taxpayer its legitimate and rightful dues for an indefinite period. The Department cannot remain dormant and expect the taxpayer to wait endlessly for the system to be upgraded. It is incumbent upon the Respondents to find a way, whether through manual means or otherwise, to grant the relief that is legally due to the Petitioner. The inability of the Department's system cannot come in the way of granting relief that the Petitioner is otherwise entitled to in law.

8. In these circumstances, we find that the petition must be allowed.

9. The Respondents are directed to process the Petitioner's pending applications and to grant refund as follows:

a. grant refund of ₹8,83,193/- along with interest u/s 244A, read with section 115WL, of the Act till the date of payment for the AY 2006-07;

b. grant refund of ₹31,40,397/- along with interest u/s 244A, read with section 115WL, of the Act till the date of payment for the AY 2007-08;



c. to process the application dated 14 December 2011, and grant refund of ₹12,22,082/- and ₹20,86,985/- (which was adjusted against the refund arising out of OGE passed under section 254 of AY 1993-94) along with interest u/s 244A, read with section 115WL, of the Act till the date of payment for the AY 2008-09;

d. to process the application dated 26 October 2010, and grant refund of ₹17,86,671/- as claimed in FBT return, and the amount of Rs.1,15,46,543/- (i.e. sum of ₹1,07,21,750/- which was adjusted against the refund arising out of an intimation under section 143(1) of the same year and Rs.8,24,793/- which was adjusted against the refund arising out of OGE passed under section 254, read with section 143(3), for AY 2016-17) along with interest u/s 244A, read with section 115WL, of the Act till the date of payment for the AY 2009-10.

10. Respondent No. 1 shall pass all necessary orders to rectify the demands and process and grant the aforesaid refunds, along with applicable statutory interest, within a period of eight weeks from today.

11. Rule is made absolute in the aforesaid terms, and the Writ Petition is also disposed of in terms thereof. However there shall be no order



as to costs.

12.           Though we have disposed of the matter, we list it for compliance on 15<sup>th</sup> April 2026.

13.           This order will be digitally signed by the Private Secretary/ Personal Assistant of this Court. All concerned will act on production by fax or email of a digitally signed copy of this order.

[FIRDOSH P. POONIWALLA, J.]

[B. P. COLABAWALLA, J.]