



**IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
CIVIL APPELLATE JURISDICTION**

**CIVIL WRIT PETITION NO. 9692 OF 2015**

Vidya Omprakash Bhartia & Ors. ..Petitioners  
Versus  
The State of Maharashtra & Ors. ..Respondents

Mr. M. S. Bhandari i/b. Ms. Pranjali Bhandari for Petitioners.  
Mrs. V. S. Nimbalkar, AGP for State/ Respondent.

**CORAM : AMIT BORKAR, J.  
DATE : 27 NOVEMBER 2025**

**PC :**

1. Rule. Rule is made returnable forthwith with consent of the parties.
2. The petition questions the legality of the order passed under the Stamp Act. The authority has refused refund of stamp duty on the ground that the petitioners did not pay the duty from their personal account. The authority holds that the duty was paid by a company. The issue is narrow. It concerns the identity of the person who can seek refund when the instrument has remained unexecuted. The question must be answered in the light of the statutory scheme, the conduct of parties, and the material on record.
3. I now record the facts which give rise to the present

petition. These facts are necessary to appreciate the contours of the dispute.

4. The petitioners are purchasers under a proposed deed of conveyance. Birla VXL Ltd. is shown as the vendor. Janardan Trading Company Ltd. is a consenting party. The document was prepared but never executed or registered. Stamp duty was paid on 16 December 2005. The payment came from the account of Indian Writing Instruments Pvt. Ltd. The conveyance never fructified. The petitioners applied on 7 June 2006 for refund of the stamp duty. They submitted the unexecuted deed, the power of attorney, a notarized affidavit and supporting documents. The authorities continued to seek further documents from time to time. The petitioners complied with each such communication. On 29 December 2009, the advocate for the petitioners again requested refund with interest. Even then the amount was not refunded. The petitioners kept responding to repeated notices and requisitions. Their effort did not result in any decision. Ultimately, on 23 April 2015, the authority rejected the request.

5. The sole reason for rejection is that the duty was paid by Indian Writing Instruments Pvt. Ltd. The authority states that since the duty was not paid by the petitioners, they cannot seek refund. The authority has treated the source of the funds as determinative, without examining who suffered the burden of the duty and who remained bound by the proposed instrument.

6. The record shows a long and unnecessary delay. The petitioners approached the authority in 2006. The request remained pending for nine years. They received repeated communications and were required to submit documents again and again. The petition discloses more than twenty five such communications. The petitioners complied with every requisition. A public authority must act with fairness and promptness. It must not compel a citizen to run from office to office. The delay is unexplained and shows failure in discharge of statutory duty.

7. There is no dispute that Indian Writing Instruments Pvt. Ltd. has issued a clear no objection. It has also furnished an indemnity bond. This removes any apprehension of future liability. Once the company acknowledges that the petitioners may receive the refund and undertakes to indemnify the State, the authority had no reason to deny the claim. The statute does not prohibit the applicant from seeking refund merely because the amount was routed through another account. The law requires the authority to identify the person who has borne the burden of duty and is entitled to refund when the instrument is not executed. The authority has failed to apply this principle.

8. In *Harshit Harish Jain v. State of Maharashtra, (2025) 3 SCC 365*, the Supreme Court noted that the CCRA had granted refund on 8 January 2018. Instead of effecting payment, the authority passed later orders recalling the refund despite lacking

any statutory power to do so. The Court holds that the State wrongfully retained the amount for nearly seven years. On that basis, the Court awards simple interest at 6 percent from 8 January 2018 until payment. The Court also fixes a four week time frame for disbursal and imposes a higher rate of 12 percent for any further delay.

9. These observations apply fully to the present case. Here also, the authority retained the petitioners' money for nine years. The delay lacks any justification. The petitioners complied with every statutory requirement. The authority did not act within a reasonable time. The principle in *Harshit Harish Jain* supports grant of interest from the date on which the petitioners first became entitled to refund. The authority's inaction has resulted in wrongful retention. The petitioners are entitled to compensation in the form of interest for that period.

10. The judgment also provides a basis for issuing direction to the authority to frame a time bound procedure. The Supreme Court directs the State to complete the refund process within four weeks. The Court further warns that any delay will attract additional interest. This shows that the Court expects refund matters to be processed without delay. The Court intervenes where administrative delay undermines statutory rights.

11. In the present case, the delay has occurred over several years. The absence of any fixed time frame has contributed to the

hardship. To prevent repetition of such delay, it is appropriate to direct the authority to issue a circular prescribing a reasonable time limit for deciding refund applications. Such direction aligns with the approach in *Harshit Harish Jain*.

12. Hence I pass following order:

**ORDER**

(a) The impugned order dated 23 April 2015 is quashed and set aside.

(b) The respondents shall refund amount of Rs. 21 lakhs to the petitioners the stamp duty paid in respect of the unexecuted deed of conveyance.

(c) The petitioners shall be entitled to simple interest at 6 percent per annum on 21 lakhs from 7 June 2006. The interest shall run till the date of actual payment.

(d) The respondents shall complete the process of refund along with accrued interest within six weeks from today. Any delay beyond the said period shall carry additional interest at 12 percent per annum till payment.

(e) The Principal Secretary, Revenue Department,

Government of Maharashtra shall issue a circular within eight weeks. The circular shall prescribe a uniform and reasonable time frame for deciding refund applications under the Maharashtra Stamp Act. The circular shall ensure that all authorities under the Act adhere to the prescribed time schedule.

13. The Petition is disposed of in the above terms.

**(AMIT BORKAR, J.)**