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1 Stay of Demand Cannot be Conditioned on Deposit Where Jurisdictional High Court Has Already Ruled in Assessee's Favour. GIST This case examines whether the Income-tax authorities could insist on deposit of 20% of the disputed demand as a condition for stay of recovery under section 220(6), where the issue involved is disallowance of Employee Stock Option Plan (ESOP) expenditure which had already been decided in the assessee's favour by the jurisdictional High Court. The Delhi High Court held that once the jurisdictional High Court has taken a view on an issue, the Assessing Officer or Competent Authority deciding a stay application is bound by such precedent and is, in normal circumstances, required to grant a complete stay. The condition requiring deposit of 20% of the demand was accordingly set aside. Facts of the Case Parties: Cadence Design Systems India (P.) Ltd., an IT c.....