IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX APPEAL NO.516 OF 2025

Pr. Commissioner of Income Tax-I …Appellant
Versus
Clarion Technologies Private Limited ...Respondent

Mr. Arjun Gupta for Appellant.

CORAM : M.S. Sonak &
Advait M. Sethna, JJ.

DATED : 13 November 2025

P.C.:-

1. Heard Mr. Gupta, learned counsel for the Appellant and with his assistance, we have perused the record.

2. Mr. Gupta urges that the Appeal be admitted on the questions of law set out in paragraph 4 of the Appeal Memo. These, according to Mr Gupta, pose substantial questions of law.

3. The tax effect in the appeal memo, as set out in paragraph 12, is Rs. 1,67,72,220/-. However, during his submissions, Mr Gupta, on instructions, states that the tax effect is Rs. 2,30,44,767/-. Mr Gupta fairly submits that there is no correction in this regard carried out in the appeal memo, which has been filed on 14 September 2023.

4. On a careful perusal of the record, it appears that initially an assessment order dated 16 December 2011 was passed under Section 143(3) of the Income Tax Act, 1961 ("**IT Act**") for the Assessment Year 2009-10. Pursuant thereto, the Assessing Officer (**AO**) noticed that the Respondent/Assessee claimed deduction under Section 10B of the IT Act, which was without the approval of the Development Commissioner and the Board. Thus, the claimed amount having escaped assessment, a Notice dated 30 March 2014 under Section 148 of the IT Act was issued to the Respondent.

5. During the reassessment proceedings under Section 148 of the IT Act, the AO vide order dated 30 March 2015 rejected the entire deduction of Rs . 7,39,07,383/- claimed by the Respondent under Section 10B of the IT Act, for want of approval by the Development Commissioner. The AO also rejected the alternative claim made by the Respondent under Section 10A of the IT Act.

6. The Respondent – Assessee aggrieved by the order of the AO preferred an Appeal before the CIT (Appeals). The CIT (Appeals) upheld the reopening of the assessment under Section 148 of the IT Act and disallowed the Respondent's claim under Section 10B of the IT Act. However, in respect of the alternate claim of the Respondent under Section 10A of the IT Act, the matter was remanded to the AO for fresh consideration.

7. The Respondent, being aggrieved by the order of the AO, preferred an Appeal before the ITAT, which resulted in the Impugned Order dated 13 January 2022. Mr Gupta would submit that the ITAT failed to consider that a typographical error crept into the date of the reassessment order, which was recorded as 30 March 2015 instead of 31 March 2015. He would contend that such a mistake was rectifiable and ought to have been accordingly rectified, which the ITAT ought to have considered and appreciated.

8. Mr Gupta, in making the above submissions, has fairly accepted that there was no rectification proceeding in terms of the above initiated on behalf of the Appellant as prescribed under Section 154 of the IT Act. Considering such a position, we find that the ITAT, being the final fact-finding authority, has duly considered this aspect in detail. It has been observed that in the ordinary circumstances, it is not possible that the Assessing Officer signed the reassessment order on 31 March 2015, pursuant to the direction of the Additional CIT under Section 144A of the IT Act, which was also signed on the same date, i.e. 31 March 2015. In the Impugned Order, there is a specific finding that the reassessment order was passed by the AO somewhere in April 2015. As the said order was passed after 31 March 2015, the reassessment was barred by limitation under Section 153(2) of the IT Act.

9. Considering the above and in the given factual complexion, we find no perversity in the factual findings of the ITAT, which have been rendered after considering all aspects, perusing the record and proceedings before it, reflecting due and proper application of mind. Moreover, in the absence of any rectification proceedings initiated under Section 154 of the IT Act by the Appellant, we do not see any reason, let alone justification, to interfere with the impugned order of the ITAT.

10. For all the above reasons, we are satisfied that this Appeal involves no substantial questions of law and is, therefore, liable to be dismissed.

We dismiss this Appeal without any order as to costs.

(Advait M. Sethna, J) **(M.S. Sonak, J.)**