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

WRIT PETITION (L) NO. 22945 OF 2025

J. B. Boda Insurance & Reinsurance Brokers Pvt. Ltd. .. Petitioner

Versus

The Deputy Commissioner of Income Tax circle 1(2)(1) & Ors. .. Respondents

Adv. Madhur Agarwal a/w Adv. Jas Anghavi, Adv. Linzy Sharan and Adv. Punit Shah i/b. PDS Legal for the Petitioner.

Adv. Yogeshwar S. Bhate for the Respondent Nos. 1 & 2.

CORAM: B. P. COLABAWALLA & FIRDOSH P. POONIWALLA, JJ.
DATE: AUGUST 18, 2025

P. C.

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

2. The above Writ Petition is filed challenging (i) the impugned rectification order dated 9th February, 2024 passed by Respondent No. 1 under Section 154 of the Income Tax Act, 1961 (IT Act) ; and (ii) the

impugned revision order dated 7th March,2025 passed by Respondent No. 2 under Section 264 of the IT Act.

3. In the present case, initially, an assessment order under Section 143(3) was passed by the Assessing Officer on 6th May, 2021. This assessment order was in relation to the merged entity, namely, the Petitioner. Prior to merger, there were two companies, namely, JB Boda Insurance Brokers Pvt. Ltd. and JB Boda Reinsurance Pvt. Ltd. These two entities were merged and the merged entity [i.e. the Petitioner] is before us. Though an Assessment order was passed in relation to the merged entity taking into account the income of both the entities before merger, the TDS credit in the name of JB Boda Insurance Brokers Pvt. Ltd. [one of the entities before the mergers], was not granted.

4. In light of this, the Petitioner on 13th September, 2023, filed a rectification application before Respondent No. 1 under Section 154 of the IT Act. By this rectification application, the Petitioner sought credit of the TDS issued in the name of JB Boda Insurance Brokers Pvt. Ltd. This rectification application was dismissed by Respondent No. 1 vide his order dated 9th February, 2024. Accordingly, on 14th January 2025, the Petitioner filed a revision application under Section 264 before the Principal Commissioner Of

Income Tax (Respondent No. 2). Respondent No.2 dismissed the revision application filed by the Petitioner vide its order dated 7th March 2025 solely on the ground that the said application was time barred. The 2nd Respondent came to this finding by holding that the rectification application was filed for A.Y. 2018-19 in which an order under Section 143 (3) was passed on 27th December, 2019. Under Section 264, the Application ought to have been filed within one year from this date, and therefore, was time barred.

5. Having heard the learned counsel for the parties, and after perusing the papers and proceedings in the Writ Petition, we are of the view that the 2nd Respondent misdirected himself when he calculated the period of limitation from the date when the order under Section 143(3) was passed. What was sought to be revised before the 2nd Respondent was the rejection of the Petitioners' rectification application, and which was decided on 9th February, 2024. The revision application filed before the 2nd Respondent was on 14th January, 2025 i.e. within a period of one year as contemplated under Section 264. The 2nd Respondent was, therefore, incorrect in coming to the conclusion that the revision application filed by the Petitioner was time barred.

6. We find that this very issue has already been decided by this Court in the case of ***Pramod R. Agarwal Vs. Pr. Commissioner of Income Tax [2023] 156 Taxmann.com 126 (Bombay)***. Paragraph 10 of this decision reads thus :

> *We would agree with Mr. Gandhi that there was no delay in filing the application under section 264 of the Act because the application under section 264 of the Act was against the order passed under section 154 of the Act and not section 143 (3) of the Act. The order under Section 154 of the Act was passed on 8th December 2015 and the application under section 264 of the Act was filed on 18th January 2016, within one year.*

7. In light of this aforesaid discussion, we hereby quash and set aside the impugned order dated 7th March, 2025 passed by the 2nd Respondent under Section 264 of the IT Act and remand the matter back to the 2nd Respondent to decide the Petitioners' revision application (filed under Section 264) on merits and in accordance with law.

8. 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.

9. We must hasten to add that we have not opined on the merits of the matter, and the 2nd Respondent shall decide the revision application of

the Petitioner (filed under Section 264) on merits, within 8 weeks from the date of uploading of this order on the High Court website.

10. 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.]**

Mansi shelke