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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ W.P.(C) 4090/2019

GANDHI SMRITI & DARSHAN SAMITI .....Petitioner

Through: Mr. Rakesh Chaudhary, Adv.

versus

CENTRAL BOARD OF DIRECT TAXES NEW DELHI .....Respondent

Through: Mr. Gaurav Gupta, SSC with Mr. Shivendra Singh, Mr. Yojit Pareek, JS

CORAM:
HON'BLE MR. JUSTICE DINESH MEHTA
HON'BLE MR. JUSTICE VINOD KUMAR

O R D E R

% **27.04.2026**

1. The instant writ petition is directed against the order dated 30.01.2019 passed by the Commissioner of Income Tax (Exemption) *(hereinafter referred to as 'Commissioner')*, whereby petitioner's application under Section 119(2)(b) of the Income Tax Act, 1961 *(hereinafter referred to as 'the Act of 1961')* seeking condonation of delay in filing Form 10 of the Income Tax Rules, 1962 was rejected.

2. Succinctly narrated, the facts are that the petitioner is/was a registered trust having registration under Section 12A(a) and other relevant provisions of the Act of 1961. It is to be noted that Section 11 and 13 of the Act of 1961 were amended vide the Finance Act 2015 w.e.f. 01.04.2016 and the requirement of furnishing prescribed Form no.l0 electronically, within the due date specified under Section 139(1) of the Act of 1961 was introduced..

3. The petitioner, however, did not furnish the Form 10 alongwith the return of income for Assessment Year 2016-17. Later on, when it realized that the Form was not filed, it proceeded to file the same on 27.03.2018, however with some delay.

4. Since the Form was filed after the due date, the respondent did not consider the same and proceeded as if the form was not filed.

5. Meanwhile, the Central Board of Direct Taxes *(hereinafter referred to as 'CBDT')* issued a Circular no.7/2018 dated 20.12.2018, in light of various representations made by the assessees, indicating therein that since it was the first year mandating e-filing of Form 10, they could not file the same and prayed that the delay in filing be condoned.

6. The above-mentioned circular provided that the Commissioner of Income Tax shall have power to admit belated applications in Form 9A and Form 10 in respect of AY 2016-17. It was further stipulated therein that the Commissioner shall satisfy himself about the reasonable cause for delay in filing the application.

7. The petitioner moved an application dated 13.12.2018 in terms of the above circular. The said application was however rejected by the Commissioner vide his order impugned.

8. Learned counsel for the petitioner argued that the petitioner has clearly indicated in its reply dated 24.12.2018 that on account of services of the employee of its Chartered Accountant firm being terminated, it never came to the notice of the Chartered Accountant firm and the petitioner that Form no.10 was not submitted at the time of filing return of income tax.

9. He submitted that when it came to the petitioner's notice, an application under Section 119(2)(b) of the Act of 1961 was filed seeking

condonation of delay, yet the Commissioner has rejected the same on technical grounds, without considering the spirit and mandate of circular dated 20.12.2018 issued by CBDT.

10. Mr. Gaurav Gupta, learned Senior Standing Counsel, on the other hand submitted that the circular in question does not give sweeping power to the Commissioner to condone delay in each and every case.

11. He added that upon considering the facts pleaded and the reasons which the petitioner has disclosed in his application, the Commissioner has concluded that the same do not constitute any justifiable cause for delay.

12. Learned counsel for the petitioner in rejoinder relied upon the judgment of this Court rendered in the case of ***Delhi Maharashtriya Educational and Cultural Society Through Authorised Representative v. Commissioner of Income Tax (Exemptions), Delhi & Ors.*** in W.P.(C) 15601/2025 and the judgment of Bombay High Court rendered in the case of ***KSB Care Charitable Trust v. Commissioner of Income-Tax (Exemption) and Ors.*** in Writ Petition (L) No. 23591/2025 and argued that the impugned order passed by the Commissioner deserves to be set aside.

13. Having heard learned counsel for the petitioner and upon going through the circular dated 20.12.2018, we are of the view that the same was issued by the CBDT with an avowed object of meeting the difficulty faced by the assessees/ charitable institutions, as it was the first year in which the requirement of furnishing Form 10 electronically was prescribed.

14. According to us, when the spirit of the circular was to condone the delay in filing Form 10, the Commissioner ought not to have applied a hyper-technical approach.

15. The fact that the employee of the Chartered Accountant firm of the

petitioner was terminated constitutes a valid reason, unless the same is disputed and found to be incorrect.

16. If an employee of the Chartered Accountant firm who has been dealing with petitioner's assessment and other ancillary matters was terminated, it can well be possible that the Chartered Accountant and the petitioner would remain unaware as to whether Form 10 had been filed or not. In any case, no one would intentionally cause delay in filing Form 10. The assessee hardly stands to gain anything by delay in filing the Form.

17. Be that as it may. Without delving much upon the same, keeping in view the spirit of the circular dated 20.12.2018 and in the interest of justice, we are persuaded to condone the delay.

18. The impugned order of the Commissioner dated 30.01.2019 is quashed and set aside.

19. Petitioner's application dated 13.12.2018 and all other applications in this regard are hereby allowed.

20. The delay in filing Form 10 is condoned. Consequences to follow.

DINESH MEHTA, J.

VINOD KUMAR, J.

APRIL 27, 2026/*nk*