Bombay Prathana Samaj — Writ Petition No. 2867/2025

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2026:BHC-OS:10057-DB 29-WP-2867-2025.doc IN THE HIGH COURT OF JUDICATURE AT BOMBAY ORDINARY ORIGINAL CIVIL JURISDICTION WRIT PETITION NO. 2867 OF 2025 Bombay Prathana Samaj .. Petitioner Versus The Union of India and Ors. .. Respondents Mr. Bharat Raichandani, a/w Adv. Suraj Ghadigaonkar, for the Petitioner. Mr. Prathamesh Bhosle, for the Respondents. CORAM: B. P. COLABAWALLA & FIRDOSH P. POONIWALLA, JJ. DATE: APRIL 20, 2026 P. C.

1. Rule. Rule is made returnable forthwith. Respondents waive service. By consent of the parties, the Petition is taken up for final disposal at the stage of admission.

2. The above Writ Petition challenges the legality and validity of the impugned order dated 07.03.2025 passed by Respondent No.3, Commissioner of Income - tax (Exemptions), Mumbai, under Section 119(2) (b) of the (for short "the "), rejecting the Page 1 of 6 APRIL 20, 2026 Darshan Patil 29-WP-2867-2025.doc Petitioner's application for condonation of delay of 79 days in filing Form No. 10 for Assessment Year 2016-17.

3. The Petitioner is a public charitable trust registered under of the IT Act since 1976. The Petitioner has been regularly complying with various obligations for seeking exemption under of the Act including regularly filing its Return of Income, Audit Reports, Form No. 10, wherever applicable.

4. For Assessment Year 2016 - 17, the Petitioner filed its Return of Income on 16.10.2016. In its Return of Income, the Petitioner declared Nil income after claiming accumulation under of the IT Act to the extent of Rs.27,58,063/-.

5. Thereafter, assessment order under was passed by Respondent No.2 on 09.12.2018 wherein the benefit of accumulation under of the IT Act was denied on the ground that the Petitioner did not file Form No. 10 at the time of filing of Return of Income and therefore the said amount of accumulation of Rs.27,58,063/- was added back to the Petitioner's income. However, the assessment order records that the Petitioner had filed Form No. 10 on 03.01.2017. The Petitioner challenged the said assessment order before the CIT(A). Page 2 of 6 APRIL 20, 2026 Darshan Patil 29-WP-2867-2025.doc

6. In the meantime, the Petitioner also filed an application under of the IT Act with Respondent No.3 on 10.12.2018 for seeking condonation of delay in filing Form No. 10. The reason stated for the delay was that A.Y. 2016-17 was first year for filing Form No.10 electronically due to which inadvertently the said form remained to be filed before the due date. By the impugned order dated 07.03.2025, Respondent No.3 rejected the Petitioner's application under of the IT Act, and hence, the present Petition.

7. We have heard the learned counsel for the parties. We have also perused the material placed on record.

8. For claiming the benefit of accumulation as per of the IT Act, the Petitioner was required to file Form No. 10 (Statement of Accumulation). From the record, we are satisfied that there is a reasonable cause for the delay in filing Form No. 10 by the Petitioner. One of the relevant considerations for condoning delay under is to consider the genuine hardship which an Assessee will face if the delay is not condoned.

9. We derive support from the judgment of the Hon'ble Supreme Court in , (2001) 247 ITR Page 3 of 6 APRIL 20, 2026 Darshan Patil 29-WP-2867-2025.doc 201 (SC), wherein it was held that furnishing of Form No. 10 before completion of assessment constitutes sufficient compliance.

10. In any case, this Court, in several of its orders involving a similar issue of delay in filing Form No. 10, has adopted a liberal approach. They are : > (a) Shree Jain Swetamber Murtipujak Tapagachha Sangh v. CIT (E) [W.P. (L) No. 1321 of 2024, 0rder dated 27.03.2025] ( ) [(2025) 178 taxmann.com 771 (Bom)] (c) People's Mobile Hospitals v. CIT (E) [W.P. No. 2697 of 2025, order dated 15.09.2025] (d) St. Anne's School v. CIT (E) [(2025) 180 taxmann.com 183 (Bom)] (e) Francis Xavier Church vs. CIT (E) [W.P. 635 of 2026, order dated 18.02.2026] Page 4 of 6 APRIL 20, 2026 Darshan Patil 29-WP-2867-2025.doc

11. We are also of the view that Respondent No.3 ought to have taken a justice-oriented approach rather than a pedantic one and condoned the delay. This Court, in People's Mobile Hospitals v. CIT (E) (order dated 15th September 2025 in Writ Petition No. 2632 of 2025) has followed its earlier judgments in (order dated 7th July 2025 in WP No. 713 of 2025), Sau Dwarkabai tai ■cite■19†Karwa Charitable Trust v. Commissioner of Income-tax(E■) (2025) 174 taxmann.com 245 ( ) (2025) 176 taxmann.com 56 (Bombay) and condoned the delay. In these cases also, this Court was concerned with condonation of delay in filing of similar forms within the stipulated time while claiming exemption under of the IT Act. Therein, reliance was also placed on a judgment of the Gujarat High Court in the case of ■cite■21†Sarvodaya Charitable Trust v. ITO (E■) (2021) 125 taxmann.com 75 laying down the principle that in cases like the present one, the approach of the authority ought to be equitious, balancing and judicious and availing of exemption should not be denied merely on the bar of limitation. This is more so when the Legislature has, under of the IT Act, conferred discretionary powers to condone the delay on the authorities concerned with a view to avoid genuine hardship. Page 5 of 6 APRIL 20, 2026 Darshan Patil 29-WP-2867-2025.doc

12. Considering the facts and circumstances of the case, we are of the view that the delay ought to be condoned. We, accordingly, quash and set aside the impugned order passed under of the IT Act dated 07.03.2025 and condone the delay of 79 days in filing of Form No. 10 for A.Y. 2016-17.

13. Since the delay has been condoned, the Respondents shall once again process the Petitioner's Returns in accordance with law by giving effect to this order on the basis that Form No. 10 has been filed within time.

14. 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.

15. 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.] Page 6 of 6 APRIL 20, 2026