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

*Date of decision: 29<sup>th</sup> April, 2026*

+ W.P.(C) 4449/2026 & CM APPL. 21781/2026

MENTAURA TECHNOLOGIES PVT LTD .....Petitioner

Through: Mr. Amit Kumar Pathak, Mr. Yash  
Kotak & Mr. Rohan Khanna, Advs.

versus

PRINCIPAL COMMISSIONER OF INCOME TAX DELHI

.....Respondent

Through: Mr. Gaurav Gupta, SSC with Mr.  
Shivendra Singh, JSC, Mr. Yojit  
Pareek, JSC & Mr. Surya Jindal, Adv.

**CORAM:**

**HON'BLE MR. JUSTICE DINESH MEHTA**

**HON'BLE MR. JUSTICE VINOD KUMAR**

**JUDGMENT**

**DINESH MEHTA, J. (ORAL)**

1. By way of the present writ petition, the petitioner has challenged the order dated 05.12.2025 passed by the Commissioner of Income Tax, CCIT, Delhi-4 (*hereinafter referred to as 'the Commissioner'*), whereby the petitioner's application under Section 119(2)(b) of the Income Tax Act, 1961 (*hereinafter referred to as 'the Act of 1961'*) has been rejected.

2. The facts germane for the present case are that with a view to avail benefits of Section 115BAA of the Act of 1961, as per the amended provision the petitioner was required to file Form 10-IC by the due date of filing of return of income. For the Assessment Year (AY) 2020-21, the petitioner filed its return of income on 03.02.2021, however, could/did not



file the prescribed Form 10-IC in time for some reasons.

3. Since the petitioner did not file the requisite Form by the due date of filing of the return, the respondent did not give the petitioner benefit of Section 115BAA.

4. The petitioner, thereafter, filed an application on 20.01.2025 under Section 119(2)(b) of the Act of 1961 and sought condonation of delay in filing Form 10-IC in light of the Circular issued by the Central Board of Direct Taxes (*hereinafter referred to as 'CBDT'*) on 18.11.2024.

5. In the aforesaid application, the petitioner pleaded that both the Directors of the petitioner-Company who are husband and wife got infected with COVID-19 virus and therefore, could not arrange for filing of the Form 10-IC within the prescribed time limit.

6. The Commissioner rejected petitioner's application dated 02.01.2025 relying upon the report of the Jurisdictional Assessing Officer (*hereinafter referred to as 'JAO'*). The Commissioner, in the impugned order, observed that since the application has been filed after three years from the end of relevant AY, the same was not maintainable. The reasons given by the Commissioner are reproduced hereunder for ready reference:-

*"6. Upon examination, it is observed that the Central Board of Direct Taxes (CBDT), vide Circular No. 06/2022 dated 17.03.2022, extended the due date for filing Form 10-IC for Assessment Yea 2020-21 to 30.06.2022. Despite the extended and adequate opportunity, the applicant failed to file the Form-10-IC within the permissible period. Further, no evidence, with regard to technical errors/glitches for filing the Form-10-IC on Income Tax Portal, has been submitted by the applicant. The contention of the applicant that one of its directors was in isolation as per health protocols during the relevant period for filing Form 10-IC does not justify the prolonged non-compliance. The company had*



*another director also. Moreover, the company had the option to seek professional help to facilitate the filing process, It is also pertinent to note that the Income Tax Return itself was duly filed within time which indicates that the company's compliance functions were operational during the period in question. Therefore, the claim that isolation of one director prevented the filing of Form 10-IC is not supported by the facts and cannot be considered a reasonable cause for the default.*

*7.1 Further, it is observed that application for condonation of delay has been filed beyond the stipulated period of three years as per the CBDT's Circular No. 17/2024 dated 18.11.2024. As per the provisions of the Circular, the final date of filing application for condonation of delay for A.Y. 2020-21 was 31.03.2024. However, the present application has been filed on 20.01.2025 which is subsequent to the deadline.*

*7.2. The relevant para of CBDT Circular No. 17/2024 dated 18.11.2024 is as follows:*

*“5 No application for condonation of delay in filing of Form No. 10-IC or Form No. 10-ID shall be entertained beyond three years from the end of the assessment year for which such application is made. The time limit for filing of such application within three years from the end of the assessment year will be applicable for application filed on or after the date of issue of this Circular. A condonation application should be disposed of, as far as possible, within six months from the end of the month in which such application is received by the Competent Authority.”*

7. Learned counsel for the petitioner argued that the Circular dated 18.11.2024 has been issued in order to redress the genuine difficulties and hardships of the assessee as AY 2020-21 was the first year in which the requirement of furnishing Form 10-IC was prescribed.

8. He further submitted that since both the Directors of the petitioner-company were senior citizens and were infected with COVID-19 virus, they could not furnish Form 10-IC in time and contended that the reasons given



in the application were genuine and *bona fide* for which, petitioner's application under Section 119(2)(b) of the Act of 1961 ought to have been allowed.

9. Learned counsel relied upon a recent judgment dated 09.04.2026 passed by this Court in W.P.(C) 2625/2026 titled ***Vrg Electronics Pvt Ltd v. Principal Commissioner Of Income Tax Delhi 7 & Anr.*** and prayed that in light of the said judgment the writ petition be allowed.

10. Mr. Gaurav Gupta, learned Senior Standing Counsel for the respondent on the other hand submitted that as per the Circular dated 18.11.2024 particularly para no. 5 and 6 thereof, the petitioner ought to have filed the application within a period of three years from the end of the relevant AY. He further submitted that the reasons assigned by the petitioner seeking condonation of delay were not sufficient and argued that if the petitioner could file return of income, why could it not file the prescribed Form 10-IC, is beyond anybody's comprehension.

11. Heard learned counsel for the parties.

12. So far as the sufficiency and *bona fide* of the delay is concerned, we are of the view that when the petitioner-company had moved an application citing that the Directors of the Company suffered from COVID-19 virus while enclosing the relevant medical documents, the Commissioner ought not to have applied hyper-technical approach. A beneficial Circular is required to be given its true effect which in the present case, has not been given by the Commissioner and the order has clearly deviated from the spirit and soul of the Circular dated 18.11.2024.

13. Be that as it may. The second argument advanced by Mr. Gaurav Gupta, learned Senior Standing Counsel needs our attention. Para no. 5 and



6 of the Circular which reads thus:

*“5. No application for condonation of delay in filing of Form No. 10-IC or Form No. 10-ID shall be entertained beyond three years from the end of the assessment year for which such application is made. The time limit for filing of such application within three years from the end of the assessment year will be applicable for application filed on or after the date of issue of this Circular. A condonation application should be disposed of, as far as possible, within six months from the end of the month in which such application is received by the Competent Authority.*

*6. The delegation of powers, as per para 3 of this Circular shall cover all such applications for condonation of delay under section 119(2)(b) of the Act which are pending as on date of issue of this Circular.”*

14. On going through the Circular, we asked a question to Mr. Gaurav Gupta, that when the outer limit for filing the application was three years and the Circular was made applicable for AY 2020-21, 2021-22 & 2022-23, then how could a Circular issued on 18.11.2024, be made applicable for AY 2020-21, when a period of three years from 2020-21 had already passed?

15. Mr. Gaurav Gupta, learned Senior Standing Counsel apprised the Court that it was not the first Circular of its kind. Prior to this Circular, another Circular bearing no.6/2022 dated 17.03.2022 was issued by the CBDT for AY 2020-21 itself and the petitioner was supposed to apply under the said Circular. The Circular dated 18.11.2024 was issued in supersession of earlier Circulars dated 17.03.2022 and 23.10.2023, primarily to address the delay and genuine hardship(s) of the assesseees.

16. In view of the submissions aforesaid, we are of the view that the CBDT has discharged its duty to mitigate the genuine hardship faced by the assesseees for AY 2020-21. Firstly, a Circular dated 17.03.2022 was issued



whereby the assesseees who could not file Form 10-IC were given an opportunity to get their delay condoned, whereafter another Circular dated 23.10.2023, was issued.

17. A perusal of para no. 6 of the Circular dated 18.11.2024 if read with para no. 5 clarify the situation that the Circular dated 18.11.2024 which was issued in supersession of the earlier Circulars was meant to apply to the pending applications while extending the scope of circular to subsequent years. And precisely for this reason, they have made the Circular dated 18.11.2024 applicable to the AY 2020-21, though a period of three years from the end of relevant Assessment Year had already passed.

18. The result of the Circulars and legal position which emanates from a combined reading of all the Circulars is, that an assessee is/was required to apply for condonation of delay within three years from the end of the relevant Assessment Year or in other words latest by 31.03.2024 so far as Assessment Year 2020-21 is concerned.

19. Petitioner has woken up from its slumber after more than four years and almost 5 years from the end of relevant financial year.

20. True it is that the beneficial Circular should be interpreted liberally, but this principle of interpretation is required to be applied carefully. Once a subject falls within the Circular, full play should be given to it but if an assessee fails to fall within the ambit of the Circular, an interpretation which is beyond the clear language cannot be given.

21. The petitioner did not come out of its hibernation for 4 years and 10 months – if the petitioner kept on sleeping over its rights for years, it cannot curse the Commissioner. That apart, the petitioner has admittedly neither filed Form 10-IC for Assessment Years 2021-22 & 2022-23, nor has it filed



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any application in terms of Circular dated 18.11.2024.

22. We, therefore, do not find any error in the impugned order passed by the Commissioner, whereby petitioner's application under Section 119(2)(b) of the Act of 1961 for AY 2020-21 has been rejected.

23. Needless to observe that what we have discussed hereinabove is only *qua* AY 2020-21, because the application in question relate to Assessment Year 2020-21.

24. The writ petition is dismissed alongwith the pending application.

**DINESH MEHTA  
JUDGE**

**VINOD KUMAR  
JUDGE**

**APRIL 29, 2026/sr**