

**IN THE INCOME TAX APPELLATE TRIBUNAL “F” BENCH MUMBAI**

**BEFORE SHRI ANIKESH BANERJEE, JUDICIAL MEMBER  
AND  
SHRI GIRISH AGRAWAL, ACCOUNTANT MEMBER**

**ITA No. 6751/MUM/2025  
Assessment Year: 2019-20**

Vesava Koli Samaj Shikshan Sanstha Vesava Koli Samaj Shikshan Sanstha, Yari Road, Versova, Andheri West, Mumbai – 400061  (PAN: AAATV5248F)	~	ITO (Exemption) Ward – 2(4), Mumbai
(Appellant)		(Respondent)

Present for:

Assessee : Shri Ajay Singh, Advocate  
Revenue : Shri Sushil R. Shendge, Sr. DR

Date of Hearing : 10.02.2026  
Date of Pronouncement : 16.02.2026

**ORDER**

**PER GIRISH AGRAWAL, ACCOUNTANT MEMBER:**

This appeal filed by the assessee is against the order of CIT(A)-5, Kolkata vide order no. ITBA/APL/S/250/2025-26/1079634343(1), dated 14.08.2025, passed against the intimation by CPC, Bengaluru, u/s. 143(1) of the Income-tax Act (hereinafter referred to as the “Act”), dated 23.11.2021 for Assessment Year 2019-20.

2. Grounds taken by assessee are reproduced as under:

*“1. The learned CIT(A) erred in passing the order merely relying on the impugned order passed u/s 119(2)(b) of the Act rejecting assessee’s application for condonation of delay in filing Form No. 10B, without waiting for the outcome of Writ Petition filed by the assessee.*

*2. The Ld. CIT(A) erred in upholding the order passed u/s 143(1) of the Act by CPC disallowing the exemption u/s 11/12 of the Act to the assessee, without appreciating that such adjustment was impermissible.*

*3. Without prejudice the Ld. CIT(A) erred in upholding the order passed u/s 143(1) of the Act by CPC determining the total income at Rs. 2,52,88,547/- treating the entire receipt as income without allowing any expenditure.*

*4. The Assessee craves leave to add, alter modify or delete one or more ground before or at the time of hearing of Appeal.”*

3. Assessee trust is registered under the Act and runs an educational institution. It is granted registration u/s 12A dated 18.08.1993, bearing no. INS/20395 w.e.f. 01.04.1992. Its registration has been renewed for further period of 5 years by PCIT(E) Mumbai from AY 2022-23 to AY 2026-27. It is also registered as a Public Charitable Trust with Charity Commissioner, Mumbai bearing registration no. F-5734 (Mumbai) dated 27.11.1979. It is also registered as a society under Society Registration Act, 1860 bearing registration certificate no. BOM 485/79GBBSD dated 10.10.1979. Assessee filed its return of income on 30.09.2020, reporting total income at Nil. Return was not accompanied by Audit Report in Form 10B. Due to an inadvertent omission, assessee failed to verify the return by submitting the signed ITR-V within 120 days, as required under the procedures prescribed by the CPC. Subsequently, in March 2021, upon realization, during the course of assessment proceedings for the preceding assessment year AY 2018-19 that the return for AY 2019-20 had not been processed, assessee proactively submitted the signed acknowledgement (ITR-V) along with Audit Report in Form 10B for the relevant year, and also for the subsequent assessment year, i.e., for AY 2020-21. This return was processed on 23.11.2021 by issuing an intimation u/s. 143(1). When the return was processed, CPC had at its disposal audit report in Form 10B, filed by the assessee on 30.03.2021. According to the assessee, the CPC, without assigning any reason and without affording any opportunity of being heard, refused to take cognizance of the belated

submissions and rejected the condonation request in a non-speaking manner.

4. For the delay in filing Form 10B, assessee applied u/s. 119(2)(b) before the concerned jurisdictional Commissioner of Income Tax for the condonation of delay. However, ld. CIT(E), Mumbai vide his order dated 26.03.2025, rejected assessee's prayer.

5. Assessee filed a writ petition before the Hon'ble Jurisdictional High Court of Bombay against the order passed u/s. 119(2)(b) by the ld. CIT(E) in Writ Petition No. 2906 of 2025 for which the order was passed by the Hon'ble Court dated 17.09.2025. In the said order, Hon'ble Court noted the above stated facts of the case wherein there is a delay in filing Form 10B by the assessee because of which exemption under section 11 and 12 has been denied. After considering the facts of the case, order passed u/s. 119(2)(b) was quashed and set aside. Hon'ble Court condoned the delay of 181 days in filing Form No. 10B for the year under consideration and directed the Revenue to give effect to its order, granting consequential reliefs in accordance with the law. The writ petition so filed by the assessee was accordingly allowed. Contents of the judgement by the Hon'ble High Court in this regard is reproduced below for ready reference:

*"2. The present Writ Petition challenges the impugned order dated 26th March, 2025 passed by Respondent No. 1 rejecting the Petitioner's application under section 119(2)(b) of the Income-tax Act, 1961 (for short "I. T. Act"), for condonation of delay of 181 days in filing Form No. 10B for the Assessment Year 2019-20. The consequential relief sought is to direct Respondent No. 1 to condone the delay and allow the Petitioner's claim for exemption under sections 11 and 12 of the I. T. Act.*

*3. The Petitioner is a registered Public charitable trust running an educational institution, namely, Vesava Vidya Mandir at Versova Andheri (West), Mumbai consisting of Pre-primary, Primary and secondary classes upto 10th Standard. For A.Y. 2019-20, the Petitioner filed its return of income on 30th September, 2020 declaring NIL income. The audit report in Form No. 10B had been obtained on 30th September, 2019, but the same was uploaded on the portal only on 30th*

March, 2021. The delay occurred as the auditor's accountant, while filing the return of income, inadvertently failed to upload the audit report, though reference thereto was made in the return itself.

4. The CPC, Bengaluru thereafter, on 23rd November 2021, passed an intimation under section 143(1) of the Act determining the total income of the Petitioner as Rs.2,52,88,547/- and raised a demand of Rs. 1,30,48,480/-. The Petitioner then moved an application before Respondent No. 1 on 30th December, 2022 seeking condonation of delay of 181 days in filing Form No. 10B, supported by explanations, affidavit of the Trustee, and other documents.

5. Respondent No. 1, by the impugned order dated 26 March, 2025. rejected the condonation application on the ground that no "reasonable cause" was shown for the delay, holding that the audit report was not furnished within the extended due date of 30 September, 2020.

6. We have heard the learned counsel for the parties. From the record before us, it is clear that the delay was neither deliberate nor mala fide but was on account of inadvertence of the accountant of the auditor. The Petitioner, a charitable educational trust, had otherwise complied with the statutory requirements, obtained the audit report in time, and filed it immediately upon noticing the lapse. The explanation offered has not been found to be false, and the Petitioner has annexed documentary proof including the affidavit of the Trustee confirming the circumstances.

7. In our view, refusal to condone the delay results in grave financial hardship to the Petitioner, which runs only an educational institution, especially when the demand has arisen solely on account of a technical lapse. Considering the beneficial object of section 119(2)(b) and the CBDT circulars empowering condonation in genuine cases, we are satisfied that the Petitioner is entitled to relief.

8. We accordingly quash and set aside the impugned order dated 26th March, 2025 passed by Respondent No. 1 under section 119(2)(b) of the Act.

9. We further condone the delay of 181 days in filing Form No. 10B for A.Y. 2019-20. Respondent No. 2 shall give effect to this order and grant consequential reliefs in accordance with law.

10. Rule is made absolute in the above terms. Writ petition is disposed of accordingly. No order as to costs.

6. Respectfully following the above stated directions, the matter is restored back to the file of Id. Jurisdictional Assessing Officer (JAO), to give effect to the directions of the Hon'ble Court whereby the delay in filing Form 10B has been condoned. Id. JAO need to comply with the directions of the Hon'ble High Court giving benefits of exemptions claimed u/s. 11 and 12 by the assessee which were denied for want of

Form 10B not filed within the limitation. Accordingly, grounds raised by the assessee are allowed.

7. In the result, appeal of the assessee is allowed.

Order is pronounced in the open court on 16 February, 2026

Sd/-  
(Anikesh Banarjee)  
Judicial Member

Sd/-  
(Girish Agrawal)  
Accountant Member

*Dated: 16 February, 2026*

*MP, Sr.P.S.*

Copy to :

- 1 The Appellant
- 2 The Respondent
- 3 DR, ITAT, Mumbai
- 4 Guard File
- 5 CIT

BY ORDER,

(Dy./Asstt.Registrar)  
ITAT, Mumbai