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

Date of decision: 9th April, 2026

\+ W.P.(C) 2625/2026 & CM APPL. 12771/2026

VRG ELECTRONICS PVT LTD .....Petitioner

Through: Mr. Shahrukh Ejaz & Mr. Ganiul Hakim, Advs.

versus

PRINCIPAL COMMISSIONER OF INCOME TAX DELHI 7 & ANR. .....Respondents

Through: Mr. Puneet Rai, SSC with Mr.Ashvini Kumar, JSC

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 order dated 12.12.2025, passed by the Principal Commissioner of Income Tax, PCIT, Delhi-7 (*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'*) was rejected.

2. The order impugned was passed pursuant to an application which was filed by the petitioner-assessee on 20.11.2025, wherein it had sought condonation of delay in filing Form 10IC (*hereinafter referred to as 'the Form'*) for AY 2023-24, which is necessary for exercising the option under Section 115BAA of the Act of 1961.

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3. By moving the application, the assessee had submitted that though it was required to furnish the Form by due date of return i.e., 31.10.2023, but due to a lapse on the part of the accountant, neither the return was filed by the due date, nor was the Form furnished.

4. While informing that the Return of Income was filed on 30.12.2023 *i.e.,* within the time period given under Section 139(4) of the Act of 1961, Mr. Shahrukh Ejaz, learned counsel for the petitioner, submitted that the Form could not be furnished as the timeline for furnishing the Form is only up to the last date of filing return as given under Section 139(1) of the Act of 1961.

5. Mr. Ejaz further submitted that when the application came up for consideration before the Commissioner, he rejected the same by simply stating that AY 2023-24 is not mentioned in the applicable Circular No.17/2024 issued by the Central Board of Direct Taxes (*hereinafter referred to as 'CBDT')* on 18.11.2024.

6. He argued that the Commissioner has erred in rejecting the petitioner's application and ignoring the previous circular issued by the CBDT on 01.10.2024, being Circular No.11/2024. He argued that the Circular dated 01.10.2024 gives power to Principal Commissioner of Income Tax (*hereinafter referred to as 'PCIT'*) to condone delay in moving application for refund or set-off and simply because the subsequent Circular dated 18.11.2024 does not make a reference of AY 2023-24, the petitioner's application could not have been rejected.

7. Mr. Puneet Rai, learned senior standing counsel for the respondents, on the other hand submitted that maybe for seeking refund, the Circular dated 01.10.2024 was applicable and the Commissioner could have done so,

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but since the petitioner's application contained two prayers-the first in relation to grant of refund and the other in relation to acceptance of the Form, only the Circular dated 18.11.2024 would apply. He emphasized that unless the petitioner's Form is allowed to be uploaded or accepted, the application for refund simpliciter would be of no avail, as for claiming adjustment or applicability of lesser rate of tax, the condition of furnishing of the Form, which is a condition precedent to claim benefit under Section 115BAA of the Act of 1961, has to be satisfied.

8. Heard learned counsel for the parties.

9. It is not disputed that the petitioner had filed its Return of Income on 30.12.2023 under Section 139(4) of the Act of 1961 during the extended period provided for filing the return. But, when it comes to submitting the Form, the legislative mandate is that the same has to be filed up to the due date of filing return, which at the relevant time was undisputedly 31.10.2023. Therefore, there can be no gainsaying the fact that there was a delay in filing the Form.

10. So far as the Circular dated 01.10.2024 is concerned, it does not contain any stipulation regarding condonation of delay in filing the forms, including Form 10IC. If the petitioner wished to claim such relief, it has to take recourse to the Circular dated 18.11.2024, which in specific terms, provides that the PCIT or the Commissioner, as the case may be, shall have power to condone delay in filing the prescribed forms.

11. But then, the circular dated 18.11.2024, ironically, it does not make reference to AY 2023-24.

12. Technically speaking, the Commissioner may be right in holding that since the Circular dated 18.11.2024 does not apply to the cases related to

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AY 2023-24, he cannot give relief as prayed by the petitioner. We are however of the view that such strict approach, if approved by this Court, would lead to anomalous situation and injustice in genuine cases.

13. In light of the Circular dated 18.11.2024, it can conveniently be said that the same had been issued with a view to deal with cases of genuine hardship and reference of Assessment Years is only incidental and as a matter of fact insignificant, if not irrelevant. Specific purpose of confining the circular dated 18.11.2024 to the Assessment Years 2020-21, 2021-22 and 2022-23 has neither been given in the circular, nor can any palatable justification be found for such restriction.

14. We, therefore, hold that the Circular which has been issued by the CBDT in exercise of powers under Section 119(2)(b) of the Act of 1961, shall apply to all genuine and *bona fide* cases, irrespective of the Assessment Year. Because, we find no direct nexus of the Assessment Year *vis-a-vis* the purpose for which the said Circular has been issued - if the purpose is to mitigate genuine hardship, the hardship cannot be confined to particular year or years. If the advantage of a beneficial Circular is not given to all the assessees for all the years, it shall defeat the very purpose for which it was issued.

15. The Circular dated 18.11.2024 shall therefore, not be confined to AY 2022-23 and the same shall continue to apply for all such cases even for the period after 18.11.2024 unless CBDT by way of conscious application of mind provides otherwise.

16. In view of above interpretation/declaration, we set aside the impugned order dated 12.12.2025 passed by the Commissioner and direct him to decide the petitioner's case in accordance with law (while holding the

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Circular dated 18.11.2024 to be applicable in the present case).

17. The petition is disposed of in the aforesaid terms. The pending application is also disposed of.

DINESH MEHTA
(JUDGE)

VINOD KUMAR
(JUDGE)

APRIL 9, 2026
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