IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

THE HONOURABLE SRI JUSTICE P.SAM KOSHY
AND
THE HONOURABLE SRI JUSTICE NANDIKONDA NARSING RAO

Writ Petition No.19498 of 2026

Date of Order : 15.07.2026

BETWEEN :

Sri Vissamsetty Ramakrishna

...petitioner

Vs.

The Principal Commissioner of Income Tax-4
and two others

...respondents

ORDER : *(per Hon'ble Sri Justice **P.SAM KOSHY**)*

The instant Writ Petition has been filed by the petitioner under Article 226 of the Constitution of India praying the Court for issuance of a writ, order or direction more particularly in the nature of *Writ of Certiorari* by calling for the records relating to the impugned order passed by respondent No.1 under Section 119(2)(b) of the Income Tax Act, 1961 bearing DIN and Letter No.ITBA/COM/F/17/2026-27/1089643736(1), dated 12.06.2026 **(for short, 'the impugned order')**; to quash and to set aside the same as being illegal, perverse, without jurisdiction and contrary to law; consequently, to condone the delay in filing the revised returns of income by the petitioner for the

Assessment Years 2020-21 and 2021-22 under Section 119(2)(b) of the Act; and to direct respondent No.2 (the jurisdictional Assessing Officer) to compute and grant to the petitioner the refund of tax deducted at source on the *ex gratia* compensation for the Assessment Years 2020-21 and 2021-22, together with interest under Section 244A of the Act.

2. Heard Mr.M. Naga Deepak, learned counsel for the petitioner; and Mr. Kamasani Sudhakar Reddy, learned Senior Standing Counsel for the Income Tax Department, for the respondents.

3. *Vide* the impugned order, the respondent No.1 rejected the application filed by the petitioner under Section 119(2)(b) of the Act seeking condonation of delay to file revised ITRs for the Assessment Years 2020-21 and 2021-22.

4. It is the case of petitioner that *ex gratia* compensation received under the BSNL-Voluntary Retirement Scheme – 2019 is one which is in the nature of retrenchment compensation which is fully exempt under second proviso to Section 10(10)(b) of the Act; that various Coordinate Benches of Income Tax Appellate Tribunal at Chandigarh, Ahmedabad, Pune, Mumbai, Indore and Bangalore, in identically placed BSNL retirees, granted relief under second proviso to Section

10(10)(b) of the Act; that due to ignorance of law at the time of filing of the original income case returns, the petitioner-assessee requested for relief of condonation of delay to file revised ITRs for the Assessment Years 2020-21 and 2021-22, and to claim refund out of the tax deducted at source.

5. It is this contention of the learned counsel for the petitioner which stood rejected vide the impugned order.

6. When we look into the averments made in respect of identical claims being allowed by the Benches of Income Tax Appellate Tribunal at Chandigarh, Ahmedabad, Pune, Mumbai, Indore and Bangalore, in identically placed BSNL retirees, this Court is of the considered view that when similar fact was brought to the notice of the respondent-Department, the respondents ought to have appreciated the bona fides of the petitioner and the application filed by the petitioner under Section 119(2)(b) of the Act seeking condonation of delay to file revised ITRs for the Assessment Years 2020-21 and 2021-22, ought to have been considered by the respondent-Department with a more pragmatic and liberal approach, by appreciating the genuine hardship that the petitioner had been put to or would be put to, in case if the application seeking for condonation is not allowed.

7. A plain reading of the impugned order does not disclose whether respondent No.1 had considered and appreciated the orders passed by Benches of Income Tax Appellate Tribunal at Chandigarh, Ahmedabad, Pune, Mumbai, Indore and Bangalore, in identically placed BSNL retirees, and also by other Commissioner of Income Tax (Appeals) in its proper perspective, more particularly, when those orders have not been challenged any further and they have attained finality.

8. To make things worse for the respondent-Department, learned counsel for the petitioner has produced before the Court another order passed by the Income Tax Appellate Tribunal, Hyderabad 'SMC' Bench, at Hyderabad, dated 03.07.2026, wherein in a batch of appeals the lead matter being I.T.A.Nos.903 and 904/HYD/2026, wherein similar view had been reiterated by the Bench. In the said judgment, it appears that similar view has also been followed earlier by the Income Tax Appellate Tribunal, Chennai Bench in the case of **Shri Sekar Gnanaprakasam vs. DCIT**[1] and also by the Income Tax Appellate Tribunal, Bengaluru Bench in the case of **Basappa Balarama and Murthy Rangappa vs. Income Tax Officer, Ward I**[2]**,** wherein the Coordinate Benches across the country have granted relief and condoned the delay.

[1] I.T.A.Nos.1608&1609/CHNY/2026, dated 21.05.2026
[2] I.T.A.Nos.1342 and 1427/BANG/2026, dated 29.05.2026

9. For all the aforesaid said reasons and also taking into consideration the consistent view taken by various Benches of the Tribunal across the country, we are inclined to allow the instant writ petition. The impugned order passed by respondent No.1 under Section 119(2)(b) of the Income Tax Act, 1961 bearing DIN and Letter No.ITBA/COM/F/17/2026-27/1089643736(1), dated 12.06.2026, for the Assessment Years 2020-21 and 2021-22, stands quashed and set aside. The matter stands remitted to respondent No.1. The petitioner herein is permitted to file / submit revised Income Tax returns. Thereafter, the respondent No.1 is directed to consider the case of petitioner on merits.

10. With these observations, the Writ Petition stands allowed. No costs.

11. As a sequel, miscellaneous applications pending if any, shall stand closed.

P.SAM KOSHY, J

NANDIKONDA NARSING RAO, J

Date : 15.07.2026
Ndr