



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 16TH DAY OF OCTOBER, 2025

BEFORE

THE HON'BLE MR. JUSTICE S.R.KRISHNA KUMAR

WRIT PETITION NO. 8237 OF 2024 (T-IT)

BETWEEN:

AZRA ALI,
W/O MOHAMMED ALI KHAN,
AGED ABOUT 62 YEARS,
OCCUPATION: HOMEMAKER,
RESIDING AT NO.24,
NEXT TO CANARA BANK,
AMIGO VICTORY, SAUNDERS ROAD,
FRAZER TOWN, BENGALURU – 560 005
PAN. AZMPA3601N
ALSO AT
NO.1048, K R PURAM, HASSAN - 573201.

...PETITIONER

(BY SRI. BALACHANDRAN B. S., ADVOCATE)

AND:

1. THE CHIEF COMMISSIONER OF INCOME TAX
BENGALURU - 1
CENTRAL REVENUE BUILDING,
QUEENS ROAD, BENGALURU – 560 001.
2. THE PRINCIPAL COMMISSIONER OF INCOME TAX
BENGALURU -1
BMTc BUILDING, 80 FT. ROAD,
6TH BLOCK, NEAR KHB GAMES VILALGE,
KORAMANGALA, BENGALURU – 560 095.
3. INCOME TAX OFFICER
WARD 1(2)(1)
BMTc BUILDING, 80 FT. ROAD,
6TH BLOCK, NEAR KHB GAMES VILLAGE,
KORAMANGALA,
BENGALURU – 560 095.

Digitally
signed by
CHANDANA
B M
Location:
High Court of
Karnataka



...RESPONDENTS

(BY SRI. M. DILIP, ADVOCATE)

THIS W.P. IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH THE IMPUGNED ORDER DATED 07.06.2023 PASSED BY THE RESPONDENT NO.1 IN F.NO. COND.119(2)(B)/AZRA ALI/CCIT/BNG-1/2023-24 REJECTING THE CONDONATION APPLICATION OF THE PETITIONER FILED UNDER SECTION 119(2)(b) OF THE IT ACT FOR THE AY 2020-21 VIDE ANNEXURE-J AND ETC.,

THIS PETITION, COMING ON FOR ORDERS, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE S.R.KRISHNA KUMAR

ORAL ORDER

In this petition, petitioner seeks for the following reliefs:

- “(i) Issue a writ of certiorari or any other writ as the Hon'ble High Court may deem fit and quash the impugned order dated 07.06.2023 passed by the Respondent No.1 in F.No. Cond.119(2)(b)/Azra Ali/CCIT/BNG-1/2023-24 rejecting the condonation application of the Petitioner filed under section 119(2)(b) of the IT Act for the AY 2020-21 vide ANNEXURE'J';*
- (ii) Issue a writ of certiorari or any other writ as the Hon'ble High Court may deem fit and quash the impugned order dated 08.06.2023 passed by the Respondent No.1 in DIN & Order No.ITBA/COM/F/17/2023-24/1053617163(1) rejecting the condonation application of the Petitioner filed*



under Section 119(2)(b) of the IT Act for the AY 2020-21 vide ANNEXURE 'K'.

- (iii) Issue a writ of mandamus or any other writ as the Hon'ble High Court may deem fit and direct the concerned Respondent to allow the application dated 12.03.2022 filed by the Petitioner under Section 119(2)(b) of the IT Act vide ANNEXURE 'E' and condone the delay in filing the return of income for the AY 2020-21, and thereafter direct the Respondents to allow the exemption claimed by the Petitioner and direct refund of the taxes deduced at source;*
- (iv) Issue any other writ, order or direction to which the Petitioner is found entitled to in the present facts and circumstances."*

2. Heard learned counsel for the petitioner and learned counsel for the respondents and perused the material on record.

3. Though several contentions have been urged by both sides in support of their respective claims, the issue in controversy between the parties is directly and squarely covered by the judgment of this Court in the case of ***P.Jaishree Vs. The Chief Commissioner of Income Tax – W.P.No.7660/2023 dated 09.01.2024***, wherein it was held as under;



In this petition, the petitioner seeks the following reliefs:

“[i] Issue a Writ of Certiorari or in the like nature of writ, quashing the impugned order dated 08.03.2023, passed by the concerned respondent Authority vide F. No.Cond.119[2][b]/CCIT/BNG-1/2022-23 passed in DIN:ITBA/COM/S/91/2022-23/1051049705[1] vide Annexure-D;

[ii] Issue a Writ of Mandamus or in the like nature of writ, directing the concerned respondent No.1 authority to consider the application under Section 119[2][b] of the Act dated 22.02.2022 vide Annexure-C, by condoning the delay thereon in filing the same, consider the said application filed by the petitioner and thereafter pass an order in respect to the exemption claimed by the petitioner, under the Income Tax Act, 1961 and allow the same.”

2. Heard the learned counsel for the parties and perused the material on record.

3. The material on record discloses that the petitioner who is the individual assessee under the Income Tax Act, 1961 [for short, ‘the IT Act’] filed her income tax returns for the assessment year 2018-19 and in the said returns, she voluntarily disclosed tax in respect of long term capital gains for receiving compensation from the concerned authority-Karnataka Industrial Areas Development Board. It is contended that the petitioner was unaware of the exemption for deduction of tax deducted at source as well as payment of tax in respect of the land acquisition compensation received by her and when she came to know about the same, she submitted an application under Section 119[2][b] of the IT Act seeking



condonation of delay and sought for refund accordingly. The said application was considered by the respondent who proceeded to reject the same both on the ground of delay as well as on merits by passing the impugned order dated 08.03.2023 which is assailed in the present petition.

4. *Insofar as the entitlement of the petitioner to claim exemption from payment of income tax on the land acquisition compensation under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 is concerned, the said issue/question is truly and squarely covered by the Division Bench decision of this Court in the case of ‘BANGALORE METRO RAIL CORPORATION LIMITED v. M/s. SRI BALAJI CORPORATE SERVICES AND OTHERS’ in W.A. No.890/2022 and connected matters disposed of on 27.09.2023, wherein it is held that the land acquisition compensation is exempted from payment of income tax. Applying the law laid down by the Hon’ble Division Bench, I am of the considered opinion that the respondents committed error in rejecting the request of the petitioner for refund of the tax collected by them in relation to the subject land acquisition compensation.*

5. *Insofar as the reasons assigned by the respondents to reject the request of the petitioner for condonation of delay is concerned, a perusal of the impugned order will indicate that the respondents had adopted hyper technical approach and failed to consider and appreciate the reasons assigned by the petitioner in*



her application dated 22.02.2022 which clearly constituted valid and sufficient cause for not being able to submit the refund application within the prescribed period. Under these circumstances, the impugned order rejecting the request for condonation of delay is also contrary to the material on record and the same deserves to be quashed on this ground also. In the result, the following:

ORDER

- [a] The petition is hereby allowed.*
- [b] The impugned order dated 08.03.2023 [Annexure-D] of the respondent No.1 is set aside.*
- [c] The respondent No.1 is directed to refund the entire tax collected by the respondents back to the petitioner as expeditiously as possible and at any rate within a period of one month from the date of receipt of a copy of this order."*

4. The respondent – revenue carried the said judgment in the appeal in W.A.No.373/2024, which was dismissed by the Hon'ble Division Bench on 02.09.2025.

5. Under these circumstances, the present petition is also disposed of in terms of the aforesaid judgment of this Court in **P.Jaishree** case supra.



6. In the result, I pass the following:

ORDER

- (i) The petition is hereby allowed.
- (ii) The impugned orders dated 07.06.2023 and 08.06.2023 passed by respondent No.1 are hereby set aside.
- (iii) The respondent No.1 is directed to refund the entire tax collected by the respondents back to the petitioner as expeditiously as possible and at any rate within a period of one month from the date of receipt of a copy of this order.

**Sd/-
(S.R.KRISHNA KUMAR)
JUDGE**