Sri Baidyanath Memorial Trust v. Income Tax Officer, Exemption Circle, Bhubaneswar and Others

W.P.(C) No. 1755 of 2026

W.P.(C) No. 1755 of 2026 (Ori HC, decided 19.02.2026) | 2026-02-19

High Court condoned the stated 822-day appeal delay and restored the exemption appeal for merits consideration after considering pandemic-related limitation directions and sufficient cause.

Income-tax Act, 1961: sections 143, 249(3), 12AA, 10(23C) and 11

High Court of Orissa | 2-judge bench (Division Bench) | Harish Tandon, C.J. | M.S. Raman, J.

Assessment years:

Condonation is not a grant of exemption

The order restores the appeal and requires appearance within fifteen days. It does not state the assessment year, grant exemption, quantify a final tax demand, or narrate intervening rectification or revision proceedings.

01 FACTS OF THE CASE

The Trust challenged the ITAT Cuttack order of 26 September 2025 in ITA 438/CTK/2025 affirming the Additional/JCIT(A)-1 Nashik order of 17 June 2025 refusing condonation of 822 days. It also challenged the 24 December 2021 intimation under section 143 disallowing an exemption claim of Rs 2,60,16,856 under sections 12AA/10(23C) read with section 11. The source records the first appeal as filed on 25 April 2024.

Source: PDF p.1

02 DISCUSSION BY THE HON'BLE COURT

The Trust sought leniency with reference to the Supreme Court's pandemic limitation directions and an opportunity to establish exemption; Revenue opposed relief for an indolent assessee. The Court reproduced the limitation directions, referred to section 249(3), considered that refusal would prevent consideration of a meritorious matter, and found no deliberate delay. It took a pragmatic view to allow evidence on the exemption claim.

Source: PDF p.2

03 JUDICIAL DECISION

Exercising Article 226 jurisdiction, the Court itself condoned the delay, set aside the ITAT order of 26 September 2025 and the appellate order of 17 June 2025, and restored the first appeal to Additional/JCIT(A)-1 Nashik for adjudication on merits. Personal hearing was required. The Trust was to appear within fifteen days with this order and supporting documents, cooperate, and avoid unnecessary adjournments.

Source: PDF p.6

04 OUTCOME / IN WHOSE FAVOUR

The writ and pending applications were disposed of. The first appeal was restored for merits adjudication; the Court did not grant the exemption or extinguish the underlying demand.

Source: PDF p.6

05 EXPERT COMMENTS

AKHB EXPERT COMMENTS — editorial analysis, distinct from the Court's findings.

Exclusion of time and condonation are distinct steps — The Court reproduced the Supreme Court's excluded-period and ninety-day directions, but ultimately exercised its own Article 226 power upon finding sufficient cause. The operative relief is not merely a mathematical conclusion that the 25 April 2024 appeal was filed within an automatically extended deadline. A comparable case still needs its own limitation chronology and explanation.

The stated chronology should not be supplemented by invented causes — The source gives a 24 December 2021 intimation, a 25 April 2024 appeal and a stated 822-day delay, while its reasoning refers broadly to pandemic conditions. It supplies no worked calculation or intervening rectification/revision history. Those missing matters cannot be supplied to reconcile the chronology or create a more detailed sufficient-cause finding.

Restoration opens the merits forum without deciding exemption — The Court's concern was that the Trust should be able to adduce evidence. References to a meritorious matter explain leniency on delay; they do not establish registration, approval, fulfilment of exemption conditions or nil liability. The fifteen-day appearance and supporting-document directions are the practical next steps under this order.

Source: PDF p.1

SOURCE & VERIFICATION

Original judgment PDF (20260219_ODHC010028672026.pdf)

Reviewed from the complete 7-page official High Court judgment PDF (20260219_ODHC010028672026.pdf, SHA-256: 80462568f044ca21a65ca231bfe398ff9eb4d6fceed97d6ee11365d773f37aec).

All 7 original pages read and visually inspected; all five panels audited.

Open cited source rendition

Primary source verified page-by-page (7 physical pages, 172,465 bytes, SHA-256: 80462568f044ca21a65ca231bfe398ff9eb4d6fceed97d6ee11365d773f37aec). Cloud Google Drive File ID: 1kP2Ev9vOUuvN67DVQl-enozeEVoiVmSd (https://drive.google.com/file/d/1kP2Ev9vOUuvN67DVQl-enozeEVoiVmSd/view).

STATUTORY SCOPE

Refers to the Income-tax Act, 1961 and allied statutory rules/circulars as applicable to the relevant assessment years.

LATER TREATMENT

Source checked 2026-10-21. Subsequent treatment has not been independently verified.

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

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