

Commissioner of Income Tax, Jullundur v. Ajanta Electricals, Punjab

Civil Appeal No. 2636 of 1977 / Civil Appeal Nos. 2499–2501 of 1977

[1995] 3 SCR 1083 | 1995-05-02

Whether an application seeking extension under the former section 139(2) proviso was invalid merely because it was made after the stipulated return-filing period.

139(2), since omitted | 271(1)(a), historical penalty context

2-judge bench | B.P. Jeevan Reddy, J. | G.T. Nanavati, J.

Assessment years: 1966-67

Former section 139(2): consideration is not automatic approval

Belated extension requests were maintainable under the former discretionary proviso, and the ITO had to consider them. The judgment does not deem every unanswered application granted or cancel all penalties indiscriminately. Section 139(2) was deleted from 1 April 1989; this is not a current filing-extension rule. Printed date/procedural inconsistencies are preserved, and comprehensive later treatment is unverified.

01 FACTS OF THE CASE

The partnership firm and its three partners received separate section 139(2) notices for AY 1966-67. The report gives service dates of 18 May 1966 for the firm and 24 June 1966 for the partners, and stated due dates of 19 June and 24 July respectively. All returns were filed on 27 June 1967. When section 271(1)(a) penalties were proposed, the taxpayers relied on extension applications and said they reasonably believed those requests had been granted because they had not been rejected (physical pages 3–4).

The ITO doubted proof of the requests and treated belated requests as invalid. The AAC found applications dated 29 June and 31 December 1966, plus the firm's further request of 15 May 1967 seeking time to 30 June. It cancelled the firm's penalty and restricted the partners' penalties to the period lacking reasonable cause. The Tribunal restored the ITO's orders on its legal view that late requests were invalid. The High Court answered the common legal question for the taxpayers, leading to these four Revenue appeals (physical pages 3–4).

Source: See the proposition-specific paragraph and PDF-page references below.

02 DISCUSSION BY THE HON'BLE COURT

The former proviso gave the ITO discretion to extend the filing date on an application in the prescribed manner, without saying that the application itself had to precede the deadline. Rule 13 and Form 6 supported that construction: the form contemplated both an inability to file and an inability that had already occurred. The rule could not contradict the Act, but its consistent procedural form reinforced the meaning of the statutory power (physical pages 5–7).

The Court rejected the proposition that the word extend inherently required a still-running period. Although the CPC did not itself govern income-tax proceedings, its procedural principle could assist interpretation of this discretionary provision. The absence of detailed procedural words did not necessarily remove a power needed to deal justly with a properly explained delay. Once a valid request invoked the discretion, the ITO had to grant or reject it rather than ignore it solely as late (physical pages 7–9).

This was a ruling on maintainability and the obligation to consider the request, not an unlimited automatic extension. The reasons for delay and the discretion still mattered. The Court rejected the contrary High Court approach and affirmed the Punjab and Haryana and Calcutta view. Its account of interest and other consequences under the old provision also showed that extension was not a promise of tax-free delay (physical pages 6 and 8–10).

Source: See the proposition-specific paragraph and PDF-page references below.

03 JUDICIAL DECISION

The applications were maintainable and valid notwithstanding expiry of the period originally allowed. The Court dismissed all four Revenue appeals with no order as to costs, sustaining the favourable answer on that legal question. It made no new numerical penalty or interest computation (physical page 10).

Source: See the proposition-specific paragraph and PDF-page references below.

04 OUTCOME / IN WHOSE FAVOUR

In whose favour: Assessee on maintainability of extension requests

Four Revenue appeals dismissed; no costs

Final interpretation of the former section 139(2) proviso

No automatic deemed acceptance of every unanswered request, blanket cancellation of all partners' penalties, or present-day general filing-extension power.

Source: See the proposition-specific paragraph and PDF-page references below.

05 AKHB REVIEW POINT

Distinguish the ability to request an extension from an entitlement to receive it. Under the historical provision, a late application could be considered and could not simply be ignored as legally nonexistent. Preserve its filing evidence, reasons and the authority's decision; silence must not be turned into a universal deemed grant. The source describes different penalty outcomes for the firm and partners at the AAC stage, and this judgment should not erase that distinction.

The Court expressly recorded that section 139(2) was deleted from 1 April 1989. This decision therefore does not establish a current power to extend any statutory filing date or excuse delay under an unrelated regime. A procedural analogy cannot override an express contemporary time bar. The quoted historical six-per-cent interest discussion is not a current rate. Comprehensive later treatment and 2025 Act mapping remain unverified.

Source: See the proposition-specific paragraph and PDF-page references below.

PROPOSITION-SPECIFIC SOURCE PARAGRAPHS AND PDF PAGES

1.

Topic: Identity, four appeals, dates and differentiated penalty history

Source url: [Open cited source](#)

Pdf pages: 1; 3; 4

Paragraphs: Unnumbered judicial text; editorial material identified separately

Source role: judicial text and identified report metadata

2.

Topic: Historical provision, deletion and Form 6

Source url: [Open cited source](#)

Pdf pages: 5; 6; 7

Paragraphs: Unnumbered judicial text; editorial material identified separately

Source role: judicial text and identified report metadata

3.

Topic: Discretion, procedural analogy and duty to decide

Source url: [Open cited source](#)

Pdf pages: 7; 8; 9

Paragraphs: Unnumbered judicial text; editorial material identified separately

Source role: judicial text and identified report metadata

4.

Topic: Limited final answer and no costs

Source url: [Open cited source](#)

Pdf pages: 10

Paragraphs: Unnumbered judicial text; editorial material identified separately

Source role: judicial text and identified report metadata

JUDICIAL AUTHORSHIP AND SEPARATE OPINIONS

G.T. Nanavati, J.

ACT IDENTIFIED IN THE REVIEWED SOURCE

Income-tax Act, 1961

OTHER PROVISIONS AND THEIR DISTINCT SCOPE

Income-tax Rules, historical Rule 13 and Form 6; CPC section 148, procedural analogy only

SOURCE & VERIFICATION

[Hon'ble Supreme Court source PDF \(reported judgment\)](#)

Identified source rendition: 10 PDF pages; SHA-256

17eebff173b9db7444fbaed80b2f21086544043540d31fe5e45704cad82330ab. Original bytes preserved.

Complete judicial text physical pages 3–10/SCR 1085–1092; preceding editorial material separated; no adjoining judgment.

[Open cited source rendition](#)

The report supplies four appeals: firm No. 2636/1977 and three partners' Nos. 2499–2501/1977. Its terminal singular "Appeal dismissed" does not reduce that group.; The narrative finds applications of 29 June and 31 December 1966, while the next sentence visibly prints 31 December 1866. The isolated century slip is preserved rather than adopted.; The partners' printed due date is 24 July 1966, later than the reported first application of 29 June. The note does not repeat the editorial implication that every application by every taxpayer was necessarily late.; The editorial summary says the AAC upheld the partners' penalties; the judicial narrative more precisely says it restricted them to the period without reasonable cause.; The appeal-provenance line identifies I.T.P. No. 19/1976, while the judicial text describes I.T. References 17, 44 and 45/1974. Their procedural relationship is not independently reconstructed.; The procedural analogy is to CPC section 148, not the Income-tax Act reassessment notice provision with the same number.; The historical proviso's deletion date is expressly stated in the judgment; no present extension mechanism or automatic deemed approval has been verified.

STATUTORY SCOPE

No automatic mapping to the Income-tax Act, 2025 or present-law certification. Apply the statutory text for the relevant year.

LATER TREATMENT

Source checked 2026-10-04. No comprehensive later-treatment search is certified. Any actually checked later judgment or statute is expressly identified in this note.

IDENTIFIED SOURCE LINKS

[reported judgment - PDF pages: 10](#)

SHA-256: 17eebff173b9db7444fbaed80b2f21086544043540d31fe5e45704cad82330ab

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