

F. No. 225/5/2021-ITA-II
Government of India
Ministry of Finance
Department of Revenue
(Central Board of Direct Taxes)

New Delhi, the 13th March, 2024

Subject: Order under section 119 of the Income-tax Act, 1961- reg.

The Board is in receipt of applications from entities seeking approval to furnish return of income in pursuance to the business reorganisation i.e. scheme of amalgamation/merger/demerger sanctioned by the order of the High Court or Tribunal or an Adjudicating Authority, as defined in clause (1) of section (5) of the Insolvency and Bankruptcy Code, 2016 (hereinafter '*competent authority*') issued prior to 01.04.2022. In respect of such entities (i.e. successor companies), Apex Court in Civil Appeal Nos.9496-99 of 2019 (arising out of SLP (C) Nos.19678-681 of 2019) has held that the Return of Income filed by the successor companies, after taking into account the Scheme of Arrangement and Amalgamation as sanctioned by the NCLT be received. National Company Law Tribunal (NCLT) has been constituted by the Central Government u/s 408 of the Companies Act, 2013 w.e.f. 1st June, 2016.

2. Section 170A of the Income-tax Act, 1961 (the Act), inserted vide the Finance Act, 2022 with effect from 1st April, 2022, provides that the entities going through such business reorganization may furnish modified return of income for any assessment year to which such order of business reorganisation is applicable, within six months from the end of the month of issuance of order of competent authority. The Board vide its order u/s 119 dated 26.09.2022 allowed successor companies in cases where the order of business reorganisation of the competent authority was issued between the period 01.04.2022 to 30.09.2022, to furnish modified returns under section 170A of the Act till 31st March, 2023. The entities, whose scheme of business reorganisation has been sanctioned by the competent authority vide orders dated prior to 01.04.2022 are, therefore, outside the purview of section 170A of the Act. Consequently, these entities could not file modified return of income u/s 170A of the Act.

3. On consideration of difficulties being faced by such entities in electronic filing of return of income pursuant to order of the *competent authority* issued after 01.06.2016 but prior to 01.04.2022 ('order') and to mitigate their genuine hardship, the Board, hereby allows the successor companies to furnish the return with modified particulars ('return') for the relevant assessment year(s) in accordance with and limited to the said order by using functionality on e-filing portal "*u/s 119(2)(b) – after condonation of delay / Court Order or Sanction Order of Business reorganisation of the Competent authority issued prior to 01.04.2022*".

4. As all such cases would entail verification as to whether the return is resulting from and limited to the said order, the taxpayer shall first communicate to the Jurisdictional Assessing Officer (JAO) as per the proforma annexed herewith, requesting for enablement of electronic filing of the return for relevant assessment year(s) on the e-filing portal as per the following time-line:

Step	Action	Time-Line
First	Communication by the taxpayer to the Jurisdictional Assessing Officer (JAO) as per the proforma, for enablement of electronic filing of the return. (A)	Up to 30.04.2024.
Second	Completion of verification by the JAO as to whether the return is resulting from and limited to the order of the <i>competent authority</i> & enablement through ITBA, information about which will be received by taxpayer on its e-filing portal.	Preferably, within 30 days of the receipt of (A).
Third	Electronic filing of the return for relevant assessment year(s) on the e-filing portal by the taxpayer.	Up to 30.06.2024.

5. It is clarified that henceforth no separate application u/s 119(2)(b) of the Act is required to be filed before the Board by the successor companies in cases where the order of business reorganisation of the competent authority was issued after 01.06.2016 but prior to 01.04.2022.

6. This order shall come into force with immediate effect.


(Dr. Castro Jayaprakash.T)

Under Secretary to the Government of India

Encl.: as above

Copy to:

- i. Chairman (CBDT) and all Members of CBDT
- ii. All Pr. CCsIT/DsGIT
- iii. DGIT(Systems), Delhi & DGIT (Systems), Bengaluru with request for further necessary action in the matter
- ✓ iv. ADG(Systems)-4 with request for uploading on department's official website
- v. JCIT, Database Cell for uploading on IRS Officers website
- vi. Guard file


(Dr. Castro Jayaprakash.T)

Under Secretary to the Government of India

Proforma for communication to JAO for enablement of electronic filing of the return with modified particulars for applicable assessment year(s) on the e- filing portal in cases where the order of business reorganisation of the competent authority was issued after 01.06.2016 but prior to 01.04.2022.

GENERAL INFORMATION				
(I): Details of the successor entity filing the return of income:				
PAN of successor entity filing the return	Name of successor entity	Corporate Identity Number (CIN) issued by MCA	Date of incorporation (DD/MM/YYYY)	Date of commencement of business (DD/MM/YYYY)
(i)	(ii)	(iii)	(iv)	(v)
(II): Details of the other successor entities in the scheme of arrangement/business re-organisation:				
PAN(s) of successor entity filing the return	Name(s) of successor entity	Corporate Identity Number(s) (CIN) issued by MCA	Date(s) of incorporation (DD/MM/YYYY)	Date(s) of commencement of business (DD/MM/YYYY)
(i)	(ii)	(iii)	(iv)	(v)
(III): Details of the predecessor entities:				
PAN(s) of the predecessor entities	Name (s) of predecessor entities	Corporate Identity Number (s)(CIN) issued by MCA	Date (s) of incorporation (DD/MM/YYYY)	Date (s) / Year of commencement of business (DD/MM/YYYY)
(i)	(ii)	(iii)	(iv)	(v)
(IV) Assessment Year		(V) whether return previously filed for this assessment year?		(VI) If yes, Whether filed u/s
		<ul style="list-style-type: none"> • Yes • No 		<ul style="list-style-type: none"> • 139(1) • Others (specify)
(VII) Enter form filed, Acknowledgement no. or Receipt No. and Date of filing original return (DD/MM/YYYY)		ITR-6	Acknowledgement Number	Date of Filing
(VIII) Details of order of business re-organisation:				
(i) Details of Competent Authority as per Board Order under section 119 of the Income-tax Act, 1961 dated 13.03.2024				
(ii) Date of order				
(iii) Order No.				
(iv) Date from which the business re-organisation has been made effective as per the order				
(IX) Any other information:				
VERIFICATION				
<p>I, son/daughter/wife [name in full and in block letters] of and holding Permanent Account Number do hereby solemnly declare that to the best of my knowledge and belief what is stated above, including in the documents accompanying this proforma, is correct and complete.</p> <p>I further declare that I am submitting this proforma in my capacity as (designation) and that I am competent to submitting this proforma and verify it.</p> <p>I further declare that the terms and conditions specified in the order of business re-organisation passed by the competent authority have been complied with.</p> <p>Verified today, the.....day of.....</p>				
			 Signature