IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 08.12.2025

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.Nos.34449 and 34457 of 2025
and
W.M.P.Nos.38598, 38600, 38605 and 38606 of 2025

Sri Venugopalasami Kainkaryasabha,
Represented by its Managing Trustee
K.S.Devanathan,
21 D, Silva Road, Mylapore,
Chennai-600 004. ... Petitioner in both W.Ps

Vs.

1.Commissioner of Income Tax (Exemption),
Chennai Aayakar Bhawan-Annexe Building,
No.121, Mahatma Gandhi Road,
Nungambakkam, Chennai – 600 034
Tamil Nadu.

2.Central Board of Direct Taxes,
Government of India,
Department of Revenue,
Ministry of Finance,
New Delhi.

3.Centralized Processing Centre,
Income Tax Department. ... Respondents in both W.Ps.

Prayer in W.P.No.34449 of 2025: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorarified Mandamus, to call for the records on the file of the Respondent and quash the impugned order in DIN or Order No.ITBA/COM/F/17/2025-26/1076670359(1) dated 03.06.2025 under Section 119(2)(b) of the Income Tax Act, 1961 passed by the 1st Respondent in rejecting the application filed by the Petitioner seeking condonation of delay in filing Form 10B for the Assessment Year 2020-21 and direct the 1st Respondent to process the return of income filed by the Petitioner in accordance with law.

Prayer in W.P.No.34457 of 2025: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari, to call for the records on the file of the 1st Respondent and quash the impugned guidelines in F.No.197/639/2024-ITA-1 dated 18.11.2024 to the extent of Paragraph 3 as illegal and not in accordance with law.

For Petitioner : Ms.Vandana Vyas (In both W.Ps)

For Respondent : Mr.V.J.Arul Raj (In both W.Ps) Senior Panel Counsel assisted by Ms.Anu Ganesan, Junior Panel Counsel

COMMON ORDER

By this common order both the writ petitions are disposed of.

2. In W.P.No.34449 of 2025, petitioner has challenged the impugned order passed by the 1st Respondent dated 03.06.2025 under Section 119(2)(b) of the Income Tax Act, 1961.

3. By the impugned order, the petitioner's application dated 26.11.2024 for condoning the delay in filing Form 10B in terms of Rule 44 (as per Section 12A(b) r/w.Section 44 AB) of the Income Tax Act, 1961 has been rejected based on CBDT Circular No.16/2024 dated 18.11.2024 which is impugned in W.P.No.34487 of 2025. Relevant portion of the impugned order reads as under:

> *"3.No application for condonation of delay in filing of Form No.9AVI0/10B/10BB shall be entertained beyond three years from the end of the assessment year for which such application is made. The time limit for filing of such application within three years from the end of the assessment year will be applicable for application filed on or after the date of issue of this Circular.*
>
> *4.The delegation of powers, as per para 1.1 & 1.2 of this Circular shall cover all such applications for condonation of delay under Section 119(2)(b) of the Act which are pending as on date of issue of this Circular.*
>
> *4.1. In the instant case, the Asst. Year involved is 2020-21 and at the time of filing petition before the undersigned for condonation of delay in filing Form 10B, i.e., on 26.11.2024, more than 3 years have lapsed from the end of relevant assessment year on 31.03.2024. It is clearly stated in Circular No.16/2024 issued by CBDT on 18.11.2024 – Para 3, that no condonation application for delay in filing Form No.9, 10, 10B, 10BB shall be entertained beyond three years from the end of the assessment year for which such application is made. The Circular dated 18.11.2024 also states that the time limit is applicable for the applications filed on or after the date of issue of the Circular. In the instant case, the assessee has made application for condonation of delay on 26.11.2024 i.e., after the date of issue of the Circular.*

5. In view of the above, the petition filed on 26.11.2024 for condonation of delay in filing Form 10B for the AY 2020-21 is rejected as the application is barred by limitation."

4. In W.P.No.34457 of 2025 the petitioner has challenged the impugned guidelines in F.No.197/639/2024-ITA-1 dated 18.11.2024 which has been applied for rejecting the application vide DIN or Order No.ITBA/COM/F/17/2025-26/1076670359(1) dated 03.06.2025 in response to the application filed by the petitioner on 26.11.2024 for condonation of delay in filing Form 10B in terms of Rule 44 (as per Section 12A(b) r/w.Section 44 AB) of the Income Tax Act, 1961.

5. Petitioner's Sabha appears to be a small Trust. It administering the Temple and is dependent on the income from it for the Charity. There is no dispute that the petitioner has filed return of income within the extended period of limitation as per press release dated 30.12.2020 issued in the wake of outbreak of Covid-19 from March 2020 and in the light of "the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 ('the Ordinance') dated 31st March, 2020 which, *inter alia*, extended various time limits under various enactments. The Ordinance was later replaced by the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020."

6. As per the above Press Release dated 30.12.2020, the Return of Income had to be filed by 15th February, 2021. Return of Income was filed by the petitioner on 14.01.2021, as it evident from a reading of the Return of Income filed by the petitioner.

7. As per Section 12A(b) (ii) r/w.Section 44 AB of the Income Tax Act, 1961, r/w. Rule 17B of the Income Tax Rules, 1962, Form 10B ought to have been filed 30 days prior to the due date of filing of Return of Income. To this effect a Press Release was also issued which states that the last date of filing of the Audit Report as 15.01.2021 for Assessment Year 2020-21.

8. In this case, Return of Income as also the Audit Report in Form 10B were filed by the petitioner only on 14.01.2021.

9. Thus, there is no delay in filing Form 10B. However, petitioner filed an application for condonation of delay under Section 119(2)(b) of the Income Tax Act, 1961, r/w.impugned Circular dated 18.11.2024, to condone the delay with a view to claim the benefit of Section 11 of the Act which was denied to the petitioner, after Section 143(1) intimation dated 23.11.2021 was issued to the petitioner. The petitioner further attempted to rectify the

intimation notice under Section 154 of the Act on 17.03.2022 which also came to be rejected by the 3rd respondent /Assessing Officer on 02.09.2022.

10. The facts as narrated above indicate that indeed there was no delay in fling Form-10B in the light of the Press Release dated 30.12.2020 issued in the background of the outbreak of Covid-19 in terms of Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 (TOLO Act). That apart, substantive benefits that are available under the Act cannot be denied to an assessee for procedural violation. In this case there is no delay.

11. Therefore, the impugned Order rejecting the application filed by the petitioner on 26.11.2024 is to be interfered with.

12. Therefore W.P.No.34449 of 2025 deserves to be allowed and accordingly allowed with consequential relief and a direction to the 3rd respondent to pass orders in accordance with the provisions of the Income Tax Act and accordingly the impugned Order dated 03.06.2025 is quashed.

13. Since W.P.No.34449 of 2025 is being allowed, no further order is required to be passed in W.P.No.34457 of 2025. Therefore, W.P.No.34457

of 2025 is closed. No costs. Consequently, connected Writ Miscellaneous Petitions are closed.

08.12.2025

ssn

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C.SARAVANAN, J.,

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