IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 08.12.2025

CORAM

THE HONOURABLE MR.JUSTICE C.SARAVANAN

WP.Nos.35885 & 35891 of 2025
and
WMP.Nos0132, 40134, 40142 & 40144 of 2025

Sri Thoopulmaal Sathsampradaya Sabha
Rep by its Trustee Mr.Raghunathan
Veeravalli New No.37/17, Sathyamurthy Street
Panruti 607106 Cuddalore ,
Tamilnadu India ... Petitioner in both the cases

Vs.

1. Central Board of Direct Taxes
Rep by its Chairperson
Department of Revenue-Ministry of Finance,
Government of India
New Delhi. ...1st Respondent in WP.No.35891/2025

2. Commissioner of Income Tax (Exemptions) Chennai
No.121, Mahatma Gandhi Road
Nungambakkam, Chennai
Tamil Nadu 600 034 … Respondent in WP.No.35885/2025 &
2nd Respondent in WP.No.35891/2025

Prayer in WP.No.35885/2025: This Writ Petition is 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 in DIN and Order No.ITBA/COM/F/17/2025-26/1078078860(1) in passing the impugned order under Section 119(2) (b) of the Income Tax Act, 1961 dated 01.07.2025 for the AY 2020-21 passed by the Respondent rejecting the application filed by the Petitioner seeking condonation of delay in filing their audit report in Form 10B, to quash the same and consequently direct the 1st Respondent to condone the delay in filing the Form 10 B for the Assessment Year 2020-21 by the Petitioner.

Prayer in WP.No.35891/2025: This Writ Petition is 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-I dated 18.11.2024 passed by the 1st Respondent to the extent of paragraph 3.

For Petitioner : Mr.S.Gautam Venkata Narayanan

For Respondent : Mr.V.J.Arul Raj
Senior Standing Counsel
M/s.Anu Ganesan
Junior Standing Counsel

COMMON ORDER

Mr.V.J.Arul Raj, learned Senior Standing Counsel takes notice for the Respondents.

2. The petitioner, a Charitable Trust is before this Court. In WP.No.35891 of 2025, the petitioner has challenged paragraph 3 of the impugned guidelines in F.No.197/639/2024-ITA-I, issued by the Central Board dated by Circular No.16/2024 dated 18.11.2024. The aforesaid Circular has been issued as a

guidelines to be followed by the authorities under Section 119 (2) for condoning the delay in filing return and documents, etc., under the Income Tax Act.

3. In WP.No.35885 of 2025, the petitioner has challenged the impugned order dated 01.07.2025 passed by the 1st respondent, Commissioner of Income Tax (Exemption) Chennai dated 01.07.2025 in respect of the application filed by the petitioner on 17.02.2025 for condonation of delay in filing Form 10 B (14.12.2025). The reason for rejecting the application filed under Section 119(2)(b) of the Income Tax vide order dated 01.07.2025 are as under:-

> *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 17.02.2025, 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 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 17.02.2025 i.e., after the date of issue of the Circular.*
> *5. In view of the above, the petition file don 17.02.2025 for condonation of delay in filing Form 10B for the AY 2020-21 is rejected as the application is barred by limitation.*

4. The dispute pertains to the assessment order 2020-21. The last date for

filing of the returns under Section139 (1) would have expired on 30.09.2020. For claiming deductions under IT Act, 1961, the petitioner was required to file Form 10 B, 30 days prior to date of filing of return in terms of Section 12 A (b) (ii) of the Income Tax Act, 1961, r.w. Rule 17(B) of the Income Tax Rules, 1962.

5. Due to out break of COVID-19 pandemic, the last date for filing of Return was extended by Circular dated 30.12.2020 to 15.02.2021 in the light of the TOLA Ordinance dated 31.03.2020 which was substituted by TOLA Act, 2020

6. In this case, the petitioner had filed a return of Income Tax on 13.02.2021 i.e, two days before the last date prescribed for the aforesaid instructions dated 30.12.2020. However, the petitioner had failed to file Form 10 B as was required and therefore, the petitioner has approached the respondent by filing an application only on 17.02.2025 (14.02.2025) for condoning the delay of 15 days. This application was filed only after an intimation under Section 143(1) of the Income Tax Act, 1961 was issued to the petitioner on 24.12.2021.

7. The impugned order has been passed by the Commissioner/1st Respondent in the light of the impugned circular No.16/2024 dated 18.11.2024 bearing F.No.197/639/2024-ITA-I, issued by the Central Board impugned in WP.No.39851 of 2025.

8. Learned Senior Standing Counsel for the Respondent would submit that the impugned order rejecting the application filed for condonation of delay is reasonable and hence does not warrant any interference under Article 226 of the Constitution of India.

9. I have considered the submissions made by the learned counsel for the Petitioner and the learned Senior Standing Counsel for the Respondent.

10. There is only a marginal delay of 15 days in filing Form 10-B under Section 12A (b) of the Income Tax Act, 1961 r/w. Rule 17-B of the Income Tax Rules, 1962. In this case of the Charitable Trust, there is a delay in approaching the Respondent under Section 119(2) of the Income Tax Act for condonation of delay in filing Form 10-B.

11. Substantive benefit available to an assessee ought not to be denied

merely on account of procedural irregularity in filing returns, or Form 10 B in time, although provisions of the Income Tax Act, 1961 mandate filing of such Form 10 B in advance for claiming exemption / deductions under provisions of the Income Tax Act, 1961.

12. In this case, admittedly there is only a marginal delay of 15 days in filing Form 10 B under Section 12 A (b) of the Income Tax Act, 1961 r/w Rule 17 -B of the Income Tax Rules, 1962. Therefore, the delay in filing Form 10 B is to be condoned. In any event, the delay ought to have been condoned as there are no other reasons for denying the substantive benefit that would have been available to the petitioner as a Charitable Trust.

13. Under these circumstances, the impugned order dated 01.07.2025 is liable to be quashed. Accordingly, WP.No.35885 of 2025 deserves to be allowed. Therefore, the Assessing Officer is directed to complete the assessment, afresh in lieu of Section 143(1) intimation dated 24.12.2021 as expeditiously as possible.

14. Needless to state that the petitioner shall be heard before final Assessment Order is to be passed, in case assessment order is to be passed in

variance with the return filed on 13.02.2021.

15. In view of the order in WP.No.35885 of 2025, no further is required to be passed in WP.No.35891 of 2025. Accordingly, the same is closed.

16. In the result, WP.35885 of 2025 is disposed of with the above observations and WP.No.35891 of 2025 is closed. No costs. Connected Miscellaneous Petitions are closed.

08.12.2025

Neutral Citation: Yes/No

gv

<u>To</u>

Commissioner of Income Tax (Exemptions) Chennai
No.121, Mahatma Gandhi Road
Nungambakkam, Chennai
Tamil Nadu 600 034

C.SARAVANAN.,J

gv

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