IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 02.03.2026

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.Nos.23593 and 23631 of 2025
and
W.M.P.No.26522 of 2025

W.P.No.23593 of 2025

Bangarababu Educational and Charitable Trust,
Represented by its Managing Trustee
Vijayababu … Petitioner

Vs.

1.Assistant Director of Income Tax,
Centralized Processing Centre,
Income Tax Department,
1st Floor,
Prestige Alpha No.48/1, 48/2,
Beretenaagrahara Begur,
Hosur Road,
Uttarahalli Hobli,
Bengaluru,
Karnataka – 560 100.

2.Income Tax Officer,
Ward-2, Chennai,
121, M.G.Road,
Nungambakkam,
Chennai – 600 034. … Respondents

Prayer in W.P.No.23593 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 in the file of the First Respondent and quash the impugned Intimation of the First Respondent in CPC/2021/A7/164784627 dated 30.11.2021 for the Assessment Year 2020-21 and direct the First Respondent to process the Return of Income filed by the Petitioner for the said year, accepting the income returned by the Petitioner.

W.P.No.23631 of 2025

Bangarababu Educational and Charitable Trust,
Represented by its Managing Trustee
Vijayababu … Petitioner

Vs.

Commissioner of Income Tax (Exemptions),
Chennai,
121, M.G.Road,
Nungambakkam,
Chennai – 600 034,
Tamil Nadu, India. … Respondent

Prayer in W.P.No.23631 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 in the file of the Respondent and quash the impugned Order passed by the Respondent under Section 119(2)(b) of the Income Tax Act, 1961 (hereinafter referred to as "Act") in DIN and Order

No.ITBA/COM/F/17/2024-25/1074100305(1) dated 06.03.2025 in PAN – AABTB2608N for the Assessment Year ('AY') 2020-21 and direct the Respondent to condone the delay in filing Form 10B of the Income Tax Act, 1961 ('Act').

For Petitioner (In both W.Ps)	:	Ms.N.V.Lakshmi
For Respondents (In both W.Ps)	:	Mr.V.J.Arul Raj Senior Standing Counsel and Ms.Anu Ganesan Junior Standing Counsel

COMMON ORDER

In W.P.No.23631 of 2025, the Petitioner has challenged the impugned Order dated 06.03.2025 passed by the Commissioner of Income Tax (Exemptions) / Respondent under Section 119(2)(b) of the Income Tax Act, 1961.

2. By the impugned Order dated 06.03.2025, the condonation application filed by the Petitioner on 27.11.2024 for condoning the delay of 32 days in filing Form 10B for the Assessment Year 2020-2021 has been rejected.

3. In W.P.No.23593 of 2025, the Petitioner has challenged the impugned Intimation dated 30.11.2021 issued under Section 143(1) of the Income Tax Act, 1961 whereby the Petitioner has been denied the benefit of Section 11 of the Income Tax Act, 1961 by the 1st Respondent in the aforesaid Writ Petition.

4. The Petitioner was required to file Tax Audit Report in Form 10B 30 days prior to the date of filing of the aforesaid Return of Income for the relevant Assessment Year. The Petitioner has filed the Return of Income by the last date on 15.02.2021 viz., on the last date for filing the Return of Income for the Assessment Year 2020-2021. However, the Audit Report was filed only on 16.02.2021 with a delay of 32 days even though the said Tax Audit Report in Form 10B is dated 15.10.2020.

5. Since the Petitioner had not filed Form 10B in time, the Return of Income filed on 15.02.2021 was processed and an Intimation was issued on 30.11.2021 whereby, the Petitioner has been denied the benefit of deduction / exemption under Section 11 of the Income Tax Act, 1961 resulting in a tax liability on the Petitioner.

6. Though, the impugned Section 143(1) Intimation Notice is dated 30.11.2021, the Petitioner has approached the 1st Respondent in W.P.No.23631 of 2025 by filing an application only on 27.11.2024. The explanation for not filing the Tax Audit Report in Form 10B by the Petitioner is captured in Paragraph Nos.7 and 8 of the Affidavit filed in support of the Writ Petition in W.P.No.23631 of 2025, which is reproduced below:-

> "7. The Petitioner submits that in January 2021, the trustee, Mr.Bangarubabu, was hospitalized due to severe illness and was subsequently diagnosed with COVID-19 pneumonia. His condition required continuous medical attention, leading to frequent hospital visits and extended periods on ventilator support. Despite ongoing treatment and efforts to stabilize his health, his condition deteriorated over time and on May 24, 2021, he succumbed to the illness, suffering a cardiac arrest caused by severe COVID-19 pneumonia, ultimately leading to his demise. The Petitioner submits that the unfortunate circumstances severely impacted his financial and personal obligations, leading to considerable distress. The Petitioner submits that owing to the health constraints faced by the Formar Managing Trustee of the Petitioner, there was delay of 32 days in filing tax audit report.
>
> 8. The Petitioner submits that subsequently, there was a change in management and nobody knew about the belated filing of tax audit report and processing of return demand. The Petitioner submits that incidentally during the month of February 2024, the Petitioner verified "Response to Outstanding Demand"

> tab in e-filing portal and came to know that return of income for the AY 2020-21 was processed with a demand of Rs.31,73,170/-."

7. The impugned Order dated 06.03.2025 rejecting the application for condonation of delay is primarily on the ground that the Petitioner's application has been filed long after impugned Section 143(1) Intimation Notice was made only on 30.11.2021.

8. That apart, it is submitted by the learned Senior Standing Counsel for the Respondents that the Petitioner's Tax Audit Report was filed only on 16.02.2021, though the same was made ready on 15.10.2020 i.e., long before date for filing the Tax Audit Report as the due date expired on 15.01.2021 for the Assessment Year 2020-2021.

9. That apart, it is submitted by the learned Senior Standing Counsel for the Respondents that the Commissioner of Income Tax (Exemptions) Respondent in W.P.No.23631 of 2025 is bound by the Circular issued by the Central Board of Direct Taxes in **Circular No.16 of 2024** dated **18.11.2024**.

10. That apart, it is submitted by the learned Senior Standing Counsel for the Respondents that there is an enormous delay in filing the application and therefore on this count the Respondent has rightly rejected the application and therefore submits that these Writ Petitions are liable to be dismissed.

11. Having considered the submissions made by the learned counsel for the Petitioner and the learned Senior Standing Counsel for the Respondents and following the consistent view taken by this Court under similar circumstances, these Writ Petitions are disposed of on the following terms:-

(1) the Order dated 06.03.2025 impugned in W.P.No.23631 of 2025 is quashed with consequential relief to the Petitioner.

(2) the Intimation dated 30.11.2021 under Section 143(1) of the Income Tax Act, 1961 impugned in W.P.No.23593 of 2025 is also set aside as the benefit of deduction under Section 11 of the Income Tax Act, 1961 cannot be denied merely on the ground of procedural delay in filing Form 10B by the Petitioner.

12. At best, the Petitioner can be imposed with cost for filing Form 10B belatedly on 16.02.2021 even though the same was ready as early as 15.10.2020.

13. Considering the nature of charitable activity carried on by the Petitioner and to ensure that the delay in filing Form 10B is not taken casually, a token cost of Rs.5,000/- is imposed on the Petitioner. The Petitioner shall pay the aforesaid sum of Rs.5,000/- to the Tamil Nadu Advocate's Clerk's Association, High Court Buildings, High Court, Chennai – 600 104 within a period of 30 days from the date of receipt of a copy of this order.

14. In case the Petitioner complies with the same and furnishes the proof of compliance before the 2nd Respondent in W.P.No.23593 of 2025, the concerned Respondent shall proceed to pass a fresh Assessment Order on merits and in accordance with law.

15. Needless to state, before passing any such order, the Petitioner shall be heard.

16. These Writ Petitions stand disposed of with the above observations. No costs. Connected Writ Miscellaneous Petition is closed.

02.03.2026

Neutral Citation : Yes / No

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To:

1.Assistant Director of Income Tax,
Centralized Processing Centre,
Income Tax Department,
1st Floor,
Prestige Alpha No.48/1, 48/2,
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2.Income Tax Officer,
Ward-2, Chennai,
121, M.G.Road,
Nungambakkam,
Chennai – 600 034.

3.Commissioner of Income Tax (Exemptions),
Chennai,
121, M.G.Road,
Nungambakkam,
Chennai – 600 034,
Tamil Nadu, India.

C.SARAVANAN, J.

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and
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