IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 19.01.2026

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.39465 of 2025
and
W.M.P.No.44316 of 2025

L.Dharmakannan Trust,
Represented by its Managing Trustee Micheal Lenin D,
604, Edayarpalayam Pirivu, RKV School Road,
Kuniamuthur, Coimbatore – 641 008. ... Petitioner

Vs.

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

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorarified Mandamus, calling for the records in the file of the Respondent in respect of the impugned Order under Section 119(2)(b) of the Income Tax Act, 1961, in DIN and Order No.ITBA/COM/F/17/2025-26/1080403353(1) dated 08.09.2025 in PAN-AAATL5028R for the Assessment Year ('AY') 2020-21 and quash the same and direct the Respondent to condone the delay in filing Form 10B under Section 12A(1)(b) of the Income Tax Act, 1961 read with Rule 17B of the Income Tax Rules, 1962.

For Petitioner : Mr.N.V.Krishnan

For Respondent : Mr.V.J.Arul Raj,
Senior Standing Counsel

ORDER

The petitioner has challenged the order dated 08.09.2025, whereby the application filed on 03.07.2025 for condonation of delay in filing Form No.10B for the Assessment Year 2020–21 by the petitioner was rejected.

2. The rejection of the said application was primarily on the following grounds :-

> *4. The delegation of powers, as per para 1.1 and 1.2 of this circular shall cover all such applications for condonation of delay under Section 119(2X(b)) of the Act which are pending as on date of issue of this circular.*
>
> *4.1 In the instant case, the Assessment 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 03.07.2025, 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 of 2024 issued by CBDT on 18.11.2024 – para 3, that no condonation application for delay in filing Form No.9A, 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 03.07.2025 i.e., after the date of issue of the circular.*
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> *5. In view of the above, the petition filed on 03.07.2025 for condonation of delay in filing Form 10B for the AY 2020-21 is rejected as the application is barred by limitation.*

3. As per Notification S.O. 4805(E) [No.93/2020/F.No.370142/35/2020-TPL], the due date for filing the Return of Income under Section 139(1) of the Income Tax Act, 1961 was 15.12.2020 for the relevant Assessment Year.

4. Consequently, the petitioner was required to file the audit report in Form No.10B under Section 44AB at least one month prior thereto, i.e., on or before 15.11.2020. However, the audit report was filed by the petitioner only on 15.01.2021 with a delay of 31 days.

5. The impugned order was defended by the respondent on the ground that the application for condonation of delay was filed only on 03.07.2025, after issuance of an intimation under Section 143(1) of the Act. It was further contended that the impugned order is a well-reasoned order and strictly in accordance with **CBDT Circular No.16 of 2024** dated **18.11.2024**.

6. Upon considering the submissions of the learned counsel for the petitioner and the learned Senior Standing Counsel for the respondent, the challenge to impugned order is unsustainable. This Court has consistently

held that substantive benefits cannot be denied on account of the procedural irregularities as held in W.P.(MD) No.17736 of 2025 in ***M/s. Palmyrah Workers Development Society vs. The Commissioner of Income Tax (Exemptions), Chennai & Ors., W.P. No.20515 of 2025 in St. Thomas Charitable Trust vs. The Commissioner of Income Tax (Exemptions), Chennai***, and W.P.No.6814 of 2025 in ***Silverstar Educational Trust vs. Commissioner of Income Tax (Exemptions), Chennai***.

7. In view of the above observations, this writ petition is allowed. However, the petitioner is directed to pay a sum of Rs.25,000/- (Rupees Twenty Five Thousand only) to the respondent within a period of 30 days from the date of receipt of a copy of this order and report compliance thereafter. No costs. Consequently, connected miscellaneous petition is closed.

19.01.2026

Neutral Citation: Yes / No
cda

To:

The Commissioner of Income Tax (Exemptions),
Chennai,
121, MG Road, Nungambakkam,
Chennai – 600 034, Tamil Nadu, India.

C.SARAVANAN, J.

cda

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