IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 19.01.2026

CORAM

THE HON'BLE MR JUSTICE C. SARAVANAN

W.P.No.43790 of 2025
and
W.M.P.Nos.48903 & 48904 of 2025

Sri Ambal Educational and Charitable Trust
(Rep. by its Managing Trustee),
Plot No.44, Ambal Nagar,
Vilathikulam, Thoothukudi - 628 907.
PAN: AAMTS1046E

..Petitioner

Vs

1. The Commissioner of Income Tax (Exemptions)
   III Floor, Annexe Building,
   Aayakar Bhawan,
   No.121, Mahatma Gandhi Salai,
   Nungambakkam,
   Chennai - 600 034.

2. The Income Tax Officer,
   Exemptions Ward - Tirunelveli,
   Income Tax Department,
   Nellai City Centre, Tiruchendhur Road,
   Rahmath Nagar,
   Tirunelveli – 627 001.

.Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorarified Mandamus, calling for the records on the file of the 1st Respondent in PAN AAMTS1046E pertaining to the Impugned Order dated 26.05.2025 passed under Section 119(2)(b) of the Income Tax Act, 1961 bearing DIN & Order No. ITBA/COM/F/17/2025-26/1076453993(1) and quash the same, and consequently condone the delay in filing the Audit Report in Form 10B for AY 2020-21 and direct the 2nd Respondent to accept the Form 10B filed by the Petitioner

For Petitioner : Mr.G.Ashokapathy,
for M/s.Pass Associates

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

ORDER

This Writ Petition has been filed challenging the impugned order dated 26.05.2025, whereby the respondents rejected the petitioner's application filed under Section 119(2)(b) of the Income Tax Act, 1961, dated 13.12.2024, seeking condonation of delay.

2. The petitioner is a Trust and is entitled to claim exemption under Section 11 of the Income Tax Act, 1961, subject to fulfilment of the conditions prescribed under Section 12A(1)(b) read with Rule 17B of the Income Tax Rules, 1962, including filing of the audit report in Form No.10B.

3. The petitioner filed its return of income under Section 139(1) of the Income Tax Act, 1961, on 15.02.2021 for the relevant assessment year. However, there was a delay of 31 days in filing the audit report in Form No.10B.

4. Subsequently, an intimation under Section 143(1) of the Income Tax Act, 1961, was issued on 25.12.2021, denying the benefit under Section 11 of the Act on account of non-filing of Form No.10B within the prescribed time.

5. The petitioner thereafter filed an application under Section 154 of the Income Tax Act, 1961, seeking rectification of the said intimation. However, the said application came to be rejected by order dated 25.11.2024.

6. Thereafter, the petitioner filed an application under Section 119(2)(b) of the Income Tax Act, 1961, on 13.12.2024, seeking condonation of delay of 31 days in filing Form No.10B. The said application has been rejected by the respondent by the impugned order dated 26.05.2025.

7. The learned counsel for the petitioner submits that the delay of 31 days in filing Form No.10B is only marginal in nature. It is further submitted that the petitioner had bona fide pursued the remedy under Section 154 of the Act and, therefore, the delay in approaching the authority under Section 119(2)(b) deserves to be condoned.

8. This Court has carefully considered the submissions made and perused the materials available on record.

9. It is seen that the delay in filing Form No.10B is only 31 days, which is marginal. Further, the petitioner had been bona fide prosecuting the remedy under Section 154 of the Act, which ultimately came to be rejected only on 25.11.2024.

10. In such circumstances, this Court is of the view that the petitioner has shown sufficient cause for condonation of delay. Denial of exemption under Section 11 of the Income Tax Act, 1961, on account of a technical delay would defeat the substantive benefit otherwise available to the petitioner.

11. Accordingly, the impugned order dated 26.05.2025 is quashed and the delay of 31 days in filing Form No.10B is condoned.

12. Such condonation is, however, subject to the condition that the petitioner shall pay a sum of Rs.25,000/- (Rupees Twenty Five Thousand only) within a period of 30 days from the date of receipt of a copy of this order.

13. Upon such payment, the respondents are directed to consider the petitioner's claim for exemption under Section 11 of the Income Tax Act, 1961, and pass appropriate orders, in accordance with law.

14. With the above directions, this Writ Petition is disposed of. No costs. Consequently, connected miscellaneous petition, if any, is closed.

19.01.2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No

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To

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C.SARAVANAN, J.

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