



W.P. (MD) No. 3904 of 2023

WEB COPY BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 27.02.2023

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THE HON'BLE MR. JUSTICE P.D. AUDIKESAVALU

W.P. (MD) No. 3904 of 2023

and

W.M.P. (MD) No.3741 and 3743 of 2023

M.D.SPL.35, Balakrishna Maravapatti Primary
Agricultural Cooperative Credit Society Ltd.,
Rep. through its Secretary,
Maravapatti-625 707, M.Puliyankulam Post,
Thirumangalam Taluk,
Madurai District.

... Petitioner

Vs.

1.The Income Tax Officer,
O/o.Income Tax, TDS Ward,
Madurai ME, Income Tax Staff Quarters Complex,
Kulamangalam Main Road,
Meenambalpuram,
Madurai-625 002.

2.The Managing Director / Joint Registrar
of Cooperative Societies,
Madurai District Central Cooperative Bank,
North Veli Street,
Madurai - 625 001.



W.P. (MD) No. 3904 of 2023

WEB COPY

3.The Registrar of Cooperative Societies,
170 Periyar EVR High Road,
Kilpauk,
Chennai – 10.

4.The Principal Secretary to Government,
Cooperation, Food and
Consumer Protection Department,
Secretariat, Chennai - 9.

... Respondents

PRAYER: Petition filed under Article 226 of the Constitution of India, for issue of Writ of Certiorari, calling for the entire records relating to the impugned orders passed by the 1st respondent in DIN and Letter No. ITBA/COM/F/17/2019-20/1026504034(1) dated 12.03.2020 and DIN and Letter No. ITBA/NFAC/S/250/2021-22/1041514498(1) dated 25.03.2022 and consequential circular of the 2nd respondent in Na.Ka. 4145/2020-21va.1 dated 31.03.2021 respectively quash the same.

For Petitioner	:	Mr. V.O.S.Kalaiselvam
For R1	:	Mr. N.Dilipkumar Senior Standing Counsel
For R2	:	Mr. D.Shanmugarajasethupathy
For R3 and R4	:	Mr. R.Baskaran, Additional Advocate General Assisted by Mr. A.Baskaran Additional Government Pleader



W.P. (MD) No. 3904 of 2023

WEB COPY

ORDER

Heard Mr. V.O.S.Kalaiselvam, Learned Counsel appearing for the Petitioner, Mr. N.Dilip Kumar, Learned Senior Standing Counsel appearing for the First Respondent, Mr. D.Shanmugarajasethupathy, Learned Standing Counsel for the Second Respondent and Mr. R.Baskaran, Learned Additional Advocate General, assisted by Mr. A.Baskaran, Learned Additional Government Pleader appearing for the Third and Fourth Respondents and perused the materials placed on record, apart from the pleadings of the parties.

2. This Writ Petition has been filed challenging the Circulars issued by the District Co-operative Banks informing the Petitioners about the enforcement of tax deduction at source as per Section 194-N of the Income Tax Act, 1961, for cash withdrawals exceeding Rs.1 crore and from their accounts from District Co-operative Banks.



W.P. (MD) No. 3904 of 2023

WEB COPY

3. It has been brought to notice that the Hon'ble Chief Minister has sent a letter dated 24.03.2020 to the Hon'ble Finance Minister, Government of India, and that the Chief Secretary, Government of Tamil Nadu, has sent a Letter in D.O. Lr. No. 15350/CC1/2022 dated 27.09.2022 to the Chairperson, Central Board of Direct Taxes, New Delhi, making requests to exempt the Primary Agricultural Co-operative Credit Societies and other Primary Co-operative Societies from the provisions of Section 194-N of the Income Tax, 1961, for the cash withdrawal exceeding Rs. 1 crore from their accounts from District Co-operative banks.

4. In view of the same, Learned Counsel for the Petitioners seek permission of the Court to withdraw the Writ Petition reserving the rights of the Petitioner to pursue the matter for exemption and if any adverse order is passed, to work out its remedies in that regard before the proper forum in the manner recognized by law and he has made endorsement to that effect in the court record.



W.P. (MD) No. 3904 of 2023

WEB COPY

In view of the same, the Writ Petition is dismissed as withdrawn with the aforesaid clarifications. Consequently, the connected Miscellaneous Petitions are closed. No costs.

27.02.2023

Index : Yes/No
NCC : Yes /No
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Note: Issue order copy by 23.05.2023.

To

- 1.The Income Tax Officer,
O/o.Income Tax, TDS Ward,
Madurai ME, Income Tax Staff Quarters Complex,
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WEB COPY



W.P. (MD) No. 3904 of 2023

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4.The Principal Secretary to Government,
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Secretariat, Chennai - 9.

W.P.(MD)No. 3904 of 2023

27.02.2023