IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 27.10.2025

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THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.7779 of 2022
and
W.M.P.Nos.7797 & 7798 of 2022

The Villupuram District Central Co-operative Bank Ltd
Represented by its General Manager, Mr.T.Prabakaran
No.2, Hospital Road,
Villupuram – 605601. ... Petitioner

Vs.

The Deputy Commissioner of Income Tax
National Faceless Assessment Centre,
Room No.401, 2nd Floor, E-Ramp,
Jawaharlal Nehru Stadium,
Delhi – 110003. ... Respondent

Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari, calling for the records on the file of the respondent relating to the impugned order under Section 271(1)(c) dated 24.02.2022 for the Assessment Year 2010-2011 having DIN: ITBA/PNL/F/271(1)(c)/2021-22/1040059942(1) passed by the respondent and quash the same as illegal.

For Petitioner : Mr.Varun Ranganathan
For Mr.K.Ravi

For Respondent : Mrs.S.Premalatha
Senior Standing Counsel

ORDER

In this Writ Petition, the petitioner has challenged the impugned Order dated 24.02.2022 passed under Section 271(1)(c) of the Income Tax Act, 1961, for the assessment year 2010-2011.

2. By the impugned order, the respondent has imposed a penalty of Rs.9,44,44,660/- under Section 271(1)(c) of the Income Tax Act, 1961, on account of the fact that the petitioner had failed to furnish the particulars of income in the return.

3. In the return filed by the petitioner on 29.09.2010, the petitioner had declared NIL income. On the other hand, the petitioner had claimed refund of Rs.3,04,176/-.

4. The issue went back and forth, and eventually, the appellate commissioner, by an Order dated 31.08.2020 in ITA No.49, 50,

42,52/CIT(A)-PDY/2017-18, directed computation of the income of the petitioner.

5. Pursuant to the aforesaid order, the assessing officer namely Assistant Commissioner of Income Tax, Circle-I, Cuddalore, has passed a giving effect order on 29.10.2020.

6. A reading of the above order indicates that as against the NIL income declared by the petitioner in the return filed on 29.09.2010, the revised total income of the petitioner was arrived at Rs.30,56,56,147/-. Thus, it cannot be argued by the petitioner that the petitioner was not liable to be proceeded against for a penalty under Section 271(1)(c) of the Income Tax Act, 1961.

7. The contention of the petitioner that notices issued did not particularize the reasons for the proposed penalty also cannot be countenanced, as the order of the appellate commissioner has attained finality. This finality was reached not only before the Income Tax Appellate Tribunal, but also because no further order was secured by the petitioner challenging the same by way of a tax case appeal under Section 260A of the

Income Tax Act, 1961. Therefore, this Writ Petition is liable to be dismissed.

8. However, a liberty is given to the petitioner to file an appeal before the appellate commissioner, if the petitioner so advised, within a period of 30 days from the date of receipt of a copy of this order.

9. In case the petitioner files such an appeal, the appellate commissioner shall dispose of the appeal without being influenced by any of the observations.

10. With the above liberty, this Writ Petition is dismissed. Consequently, connected miscellaneous petitions are closed. No costs.

27.10.2025

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Neutral Citation : Yes / No

To

The Deputy Commissioner of Income Tax,
National Faceless Assessment Centre, Room No.401, 2nd Floor,
E-Ramp, Jawaharlal Nehru Stadium, Delhi – 110003.

C.SARAVANAN, J.

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W.P.No.7779 of 2022

27.10.2025
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