IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 24.06.2025

CORAM :

THE HON'BLE MR.K.R.SHRIRAM, CHIEF JUSTICE
AND
THE HON'BLE MR.JUSTICE SUNDER MOHAN

W.A.No.1809 of 2025

Pennagaram Kuppusamy Pounraj
S/o Kuppusamy Devar, 5-A, Railway
South Line Road, Dharmapuri -
636701, Tamil Nadu

Appellant(s)

Vs

1. Assessment Unit,
National Faceless Assessment Center
Income Tax Department
Rep By Income Tax Officer,
Government Of India, Ministry Of Finance
North Block, New Delhi 110001.

2. Income Tax Officer
45F7+RMP, Dharmapuri,
Tamil Nadu 636701

3. ICICI Bank Limited
Rep. by its Branch Manager
No.74, Nethaji Bye-Pass Road
Dharmapuri, Tamil Nadu - 636701

4. South Indian Bank Limited
Rep. by its Branch Manager
DRV Annexe, 64, Nethaji Bye-Pass Road,
Dharmapuri, Tamil Nadu 636 701.

5. HDFC Bank
Rep by its Branch Manager, Salem Main
Road Bharathipuram, Dharmapuri
Tamil Nadu - 636705

Respondent(s)

Prayer : Appeal under Clause 15 of Letters Patent against the order dated 04.04.2025 passed in W.P. No. 11950 of 2025, in so far as it arbitrarily directs the Appellant to pay Rs.20 Lakhs and other costs as pre-conditions for remand the matter for fresh consideration on the file of this Hon'ble Court and thus render justice.

For Appellant	:	Mr.Kishore Balasubramanian
For Respondents	:	Dr.B.Ramasamy Senior Standing Counsel for Respondents 1 & 2 Ms.M.Bhavdharini for Respondent-3 Mr.C.Mohan Mrs.A.Rexy Josephine Mary for Respondent-5

JUDGMENT
(Judgment of the Court was delivered
by the Hon'ble Chief Justice)

The appeal impugns an order dated 04.04.2025, by which, the learned Single Judge was pleased to quash and set aside the impugned assessment order dated 26.12.2024 on the ground that the order suffers from violation of principles of natural justice. The Court, however, having held the matter suffers from violation of principles of natural justice, directs appellant to deposit Rs.20,00,000/- with the respondent Department within a period of five weeks from the date of receipt of the order, apart from making a payment of Rs.10,000/- as costs to the Principal, Government Naturopathy Medical College and Hospital.

2. Counsel for appellant states that when order has been quashed and set aside, how can the assessee be directed to deposit Rs.20,00,000/-. Counsel says though the cost could not have been imposed, since it is a donation to some charitable hospital, assessee has no problem in paying that money.

3. We agree with learned counsel that the order having held to be suffering from violation of principles of natural justice and the assessee ought to be given a chance to reply to the notice, the question of directing appellant to deposit Rs.20,00,000/- does not arise.

4. In the circumstances, we hereby quash and set aside the impugned order dated 04.04.2025 to the extent of directing appellant to pay a sum of Rs.20,00,000/- to respondent Department.

5. Counsel states that reply has to be given to the notices referred to in paragraph 2, internal page 2 of the assessment order, that is impugned in the petition.

6. Dr.Ramasamy is directed to provide a copy of these notices to appellant's counsel before the end of this week. Reply shall be filed and it is open to appellant to file a comprehensive reply within 15 days of receiving the notices from the Revenue. Thereafter, before passing any assessment order, a personal hearing will be given, notice whereof, shall be communicated at least five working days in advance.

7. Shri. Kishore states his instructions are the bank accounts that were frozen pursuant to the order that has been set aside were directed to be defrozen, but the banks have not done so. Since we have also confirmed the quashing of the order, the bank shall defreeze all the accounts of appellant.

8. Ms.Bhavdharini and Mr.Mohan appearing for respondents 3 and 5 state that they shall immediately inform their client about this order. Non availability of this order shall not be an excuse not to defreeze the accounts of appellant because learned Single Judge's order itself takes care of the same.

9. Since the cost is not yet paid, as directed by the learned Single Judge and there was no stay of the order, appellant shall pay a sum of Rs.25,000/- instead of Rs.10,000/- to the same account, as directed by the learned Single Judge and this amount shall be paid before the end of this week.

10. Appeal disposed of. We clarify that we have not expressed any opinion on the merits of the matter. Consequently, the interim application is closed.

(K.R.SHRIRAM, CJ) (SUNDER MOHAN,J.)
24.06.2025

: Yes/No
Neutral Citation : Yes/No

kpl

To

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THE HON'BLE CHIEF JUSTICE
AND
SUNDER MOHAN,J.

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