IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 18-03-2026

CORAM

THE HON'BLE Mr. JUSTICE C. SARAVANAN

WP No. 9888 of 2026
AND
WMP No.10672 of 2026

Varadhan Indira
143, KC Sammadanar Street,
Vengathur Village,
Thiruvallur 602 002

..Petitioner(s)

Vs

1. Assessment Unit,
   Income Tax Department,
   National Faceless Assessment Centre, Delhi

2. Income Tax Officer Ward-1
   No 96, Munuswamy Mudaliar Avenue
   Kancheepuram 631 501

3. The Commissioner of Income Tax (Appeals)
   Income Tax Department
   National Faceless Appeal Centre, Delhi

..Respondent(s)

Writ Petition filed under Article 226 of the Constitution of India praying for issuance of a Writ of Certiorarified Mandamus directing the 1st respondent, prohibiting him from delving upon issues, mentioned in the show cause notice having DIN ITBA/AST/F/144SCN/2025-26/10818875001 dated 21.10.2025 for the Assessment Year AY 2017-18 impugned notice, which never formed part of the original assessment order passed by the 2nd Respondent under Section 144 of ITBA/AST/S/144/2019-the Income-Tax Act, 1961 Act in DIN 20/10225379221 dated 17.12.2019 for the AY 2017-18 and which was referred back to the

Assessing Officer for passing a detailed, exhaustive and speaking order on all the impugned issues vis--vis the submissions made by the Petitioner assessee.

For Petitioner(s): Mr.J.Saravanan

For Respondent(s): Mr.B.Ramana Kumar
Senior Standing Counsel

ORDER

Mr.B.Ramana Kumar, learned Senior Standing Counsel, takes notice for the respondents.

2.This Writ Petition is being disposed of at the stage of admission itself, with the consent of the learned counsel for the petitioner and the learned Senior Standing Counsel for the respondents.

3.The petitioner is before this Court against the impugned show cause notice dated 21.10.2025 issued for the Assessment Year 2017-18. The show cause notice has been issued pursuant to the demand order on CIT (Appeals) dated 30.01.2025. The petitioner had suffered adverse assessment order on 17.12.2019 for the Assessment Year 2017-18, when the petitioner failed to respond to the notice issued under Section 142(1) dated 09.03.2018. After the remand order was passed by the CIT (Appeals) on 30.01.2025, the petitioner was issued with the following two notices under Section 142(1) as detailed below:

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
INCOME TAX DEPARTMENT

To, VARADAN INDIRA 334/143 MANAVALA NAGAR ,KC SAMBANDHANAR STREET, KANNAYA NGR, VENGATHUR VILLAG THIRUVALLUR 602002 ,Tamil Nadu India	

PAN:	Assessment Year:	Date:	DIN:
ADZPI0246E	2017-18	21/10/2025	ITBA/AST/F/144(SCN)/2025-26/1081887500(1)

Show cause Notice as to why the proposed variation should not be made

Ms/ Mr/ M/s,

Kindly refer to ongoing assessment proceedings in your case for the Assessment Year **2017-18**.

2. The following variation(s) prejudicial to your interest are proposed to be made in your case:-

1. Details of opportunities given:

Type of notice/communication	Date of notice/communication	Date of compliance given	Response of the assessee received/not received	Date of response if received	Response type (Full/part/adjournment)	Remarks if any
142(1)	11/08/2025	26/08/2025	Reply recd	26/08/2025	-	-
142(1)	18/09/2025	25/09/2025	Reply recd	25/09/2025	-	-

2. Variation Proposed:

2.1. Cash deposits in Bank account: During course of assessment proceedings, notices u/s 142(1) issued and assessee furnish reply from to time as shown in para 1 above. During the year under consideration, assessee has made cash deposits in the Bank Account maintained with IDBI Bank Ltd. as under:-

A/c No.	Amount
0758671100038544	1,33,176
0758104000071558	32,50,000

During the course of assessment proceedings, assessee was asked to furnish details of all bank account maintained during the year, copy of all bank statements, details of cash deposits made in the Bank accounts and the sources with documentary evidences, etc. In response, assessee furnished reply on 28/08/2025 and submitted copy of Bank A/c No.758104000071558 and details of cash deposits made in this bank account.

Assessee has submitted the sources of cash deposits amounting to Rs.2,00,000/- was cash withdrawn, and the sources of cash deposits amounting Rs.30,50,000/- was sale proceeds of Mango, however, assessee has shown only Rs.1,40,000/- in the return filed on 20/01/2021. Therefore, the true nature and sources of cash deposits amounting to **Rs.29,10,000/-** (30,50,000 – 1,40,000) remained unexplained and the same amount is proposed to be added back to your income as per the provisions of the I.T. Act, 1961. The cash deposit of **Rs.1,33,176/-** in the Bank A/c No. 0758671100038544 is also proposed to be added back to the income of the assessee as per the provisions of the I.T. Act, 1961 as the true nature and sources remained unexplained.

2.2. In view of above, you are hereby show cause as to why additions/variations should not be made as proposed above. Your reply in this regard be furnished with documentary evidences to substantiate your claimed.

You are hereby given an opportunity to show cause why proposed variation should not be made and the assessment should not be completed accordingly.

3. Kindly submit your response through your registered e-filing account at www.incometax.gov.in by 12:02 hours of 28/10/2025, whereby you may either:-

a. accept the proposed variation; or
b. file your written reply objecting to the proposed variation; or
c.If required, in addition to filing written reply you may request for personal hearing so as to make oral submissions or present your case. The request can only be made by clicking the Seek Video Conferencing button available against the SCN , in the view notices of this proceeding in the e-proceedings tab on efiling portal. The request can be made only before expiry of compliance date & time through video conference.

4. In case no response is received by the given time and date, the assessment shall be finalized taking into account the variation(s) stated above.

4.The petitioner herself had given the information in the reply dated 23.08.2025, stating that she had deposited the amounts as detailed below:

3. Please furnish copy of financial statements in the form of balance sheet, trading account and profit & loss account with all its annexures/scheduled/notes.

I am not any business/ Profession, hence financial statements are not available.

4. Please furnish details of all bank accounts maintained during the year in the following format:-

Name of the Bank	A/c No.	Nature/type of account	Interest received during the year
IDBI Bank	756104000071558	SB Account	1,27,291

Copy of Bank Statement is enclosed for your perusal.

5. Please furnish details of all cash deposits made in your bank accounts during the year in the following format:-

A/c No.	Date of deposits	Amount of cash deposits	Sources of cash deposits
756104000071558	23.05.2016	8,00,000	Sale of Mango Proceeds
756104000071558	13.06.2016	15,00,000	Sale of Mango Proceeds
756104000071558	30.07.2016	7,50,000	Sale of Mango Proceeds
756104000071558	10.11.2016	2,00,000	Cash withdrawan on 08.11.2016 deposited back

Please take this on record and do the needful.

Thanks and Regards,

Indira Varadhan

5.It is in this background, the impugned show cause notice has been issued on 21.10.2025. The challenge to the show cause notice is that the show cause notice goes beyond the assessment order of the CIT (Appeals) dated 30.01.2025.

6.The learned counsel for the petitioner further submits that the petitioner is not in possession of any documents to substantiate the receipts for sale of mangoes during the period in dispute, as more than 10 years have lapsed. It is submitted that the petitioner is required to maintain records only for six years, as per the information gathered by the petitioner from the Income Tax Department for maintenance of records which reads as under:

> *Where books of account and other documents should be kept and maintained?*
>
> Books of account and other documents should be kept and maintained by the person at the place where he is carrying on the profession or, where the profession is carried on at more than one place, at the principal place of his profession.
> However, where the person keeps and maintains separate books of account in respect of each place where the profession is carried on, such books of account and other documents may be kept and maintained at the respective places at which the profession is carried on.
>
> *Period of maintenance*
>
> Books of account and documents should be kept and maintained for a period of 6 years from the end of the relevant assessment year.
> However, if the assessment in relation to any assessment year has been reopened under Section 147 within the prescribed period, all the books of account and other documents which were kept and maintained at the time of reopening of the assessment should be kept and maintained until the assessment so reopened has been completed.

7.The argument of the learned counsel for the petitioner that the petitioner will not have any records as the petitioner is not required to maintain accounts and other documents beyond six years, as six years period is fallacious. The petitioner had challenged the assessment order dated 17.12.2019 passed under Section 144 and kept the issue alive by filing an appeal before the CIT (Appeals), who by order dated 30.01.2025, remitted the case to the 1st respondent.

8.In this background, it is not open for the petitioner to state that the petitioner is not required to maintain documents and the petitioner would have destroyed the records based on the Income Tax Department's literature. Be that as it may, the petitioner's challenge to the impugned show cause notice is liable to be rejected and accordingly, this Writ Petition is dismissed. No costs. Connected W.M.P. is closed.

9.It is for the petitioner to establish that the deposits made by her were from the sale of mangoes to the buyers concerned. In fact, the petitioner has obtained certificates from some of these buyers. It is now for the petitioner to substantiate the genuineness of the same before the authority and distance herself from the liability proposed in the impugned show cause notice.

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Index: Yes/No
Neutral Citation: Yes/No

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