IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 30-01-2026

CORAM

THE HON'BLE MR JUSTICE C. SARAVANAN

WP No. 3150 of 2026
and
WMP.No.3545 of 2026

Precision Infomatic Madras Pvt Ltd
Rep. by its Director
T.G.Ganesh
No.22, Habibullah Road,
T.Nagar, Chennai-600 017

..Petitioner(s)

Vs

1. Principal Commissioner of Income tax-4
   Room No.301, Wanaparthy Block-III Floor,
   No.121, Mahatma Gandhi Road,
   Nungambakkam, Chennai-600 034.
2. Assistant Commissioner of Income Tax
   Circle 1 - LTU Wanaparthy BlockNo. 121,
   Mahatma Gandhi Road, Nungambakkam,
   Chennai 600 034.
3. Commissioner of Income Tax (Appeals)
   NFAC, Delhi.

..Respondent(s)

Prayer: 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 1st Respondent and quash Impugned Order dated 08.01.2026 bearing DIN & Letter No. ITBA/COM/F/17/2025-26/ 1084581940(1) of the Act for AY 2022-23 as illegal, arbitrary, against the principles of natural justice and devoid of merit.

For Petitioner(s): M/s.Vandana Vyas

For Respondent(s): Mrs.S.Premalatha
Senior Standing Counsel

ORDER

Mrs.S.Premalatha, learned Senior Standing Counsel, takes notice for the Respondent.

2. This Writ Petition is being disposed of at the time of admission with the consent of the learned counsel for the Petitioner and learned Senior Standing Counsel for the Respondent.

3. In this writ petition, the petitioner has challenged the impugned order dated 08.01.2026 passed under Section 220(6) of the Income Tax Act, 1961, whereby, the petitioner has been called upon to deposit a sum of Rs.3,40,06,040/-, in ten installments at Rs.34,00,000/- each commencing from 31.01.2026 till 31.10.2026.

4. Earlier the petitioner had approached the Assessing Officer under Section 220(6) through an online application for stay of demand. By an order dated 22.09.2025, the Assessing Officer directed the petitioner to deposit a sum

of Rs.3,40,06,040/- in twelve equated monthly installments, with ten installments being Rs.28,33,837/- each and the last two installments at the rate of Rs.28,33,836/- each with the last installment ending on 01.10.2026.

5. In this background, the petitioner approached the 1st respondent, which culminated in the passing of the impugned order. The impugned order is challenged primarily on the strength of **Circular No.1914/1993** dated **02.02.1993** issued by the Central Board of Direct Taxes, wherein it has been clarified as follows:-

> *"C. GUIDELINES FOR STAYING DEMAND*
> *(i) ....*
> *(ii) ....*
> *(iii) ....*
> *(iv) ....*
> *(v) While considering an application under Section 220(6), the Assessing Officer should consider all relevant factors having a bearing on the demand raised and communicate his decision in the form of a speaking order."*

6. Reading of the impugned order indicates that there is no application of mind while fixing the amount payable by the petitioner. This Court has already considered similar issue in several cases, including ***Howden Solyvent India (P) Ltd. vs. Income Tax Officer,*** dated ***19.09.2024, [2024] 168 taxmann.com 468 (Madras).*** Relevant paragraph of the said judgement is extracted below:-

> *" 5. Under these circumstances, these writ petitions are dismissed. However liberty is given to the petitioner to move suitable application for waiver in terms of the decision of the Hon'ble Supreme Court in* ***Principal Commissioner of Income***

Tax 5 and others v. LG Electronics India Private Limited in [2018] 96 taxmann.com 656*. No costs. Consequently, connected Miscellaneous Petitions are closed."*

7. The above ratio will apply to the facts of the present case. Accordingly, the case is remitted back to the first respondent to pass a fresh orders on merits, taking into consideration the aforesaid decision of the Hon'ble Supreme Court and the Circular mentioned above within a period of six weeks from the date of receipt of a copy of this order.

8. The Appellate Commissioner shall endeavour to pass a final orders on merits in the appeal filed on 31.03.2024 filed against the Assessment order dated 16.03.2024 as expeditiously as possible, preferably within a period of nine months from the date of receipt of a copy of this order.

9. Till such time, all recovery proceedings shall be kept in abeyance.

10. Needless to state, before passing any such order, the Respondent shall hear the Petitioner.

11. This Writ Petition stands disposed of with the above observations. No costs. Connected Writ Miscellaneous Petitions are closed.

30-01-2026

Index: Yes/No

Speaking/Non-speaking order

Neutral Citation: Yes/No

av

To

1. Principal Commissioner of Income tax-4
   Room No.301, Wanaparthy Block-III Floor,
   No.121, Mahatma Gandhi Road,
   Nungambakkam, Chennai-600 034.

2. Assistant Commissioner of Income Tax
   Circle 1 - LTU Wanaparthy BlockNo. 121, Mahatma Gandhi Road,
   Nungambakkam, Chennai 600 034

3. Commissioner of Income Tax Appeals
   NFAC, Delhi

C.SARAVANAN, J.

av

WP No. 3150 of 2026

30-01-2026