IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 10.02.2026
Coram

The Honourable **Mr.Justice C.Saravanan**

W.P.No. 4779 of 2026
and
W.M.P.Nos.5311 & 5312 of 2026

Mr.Palaniswamy Vijayalakshmi

...Petitioner

Vs.

1. The Union of India
   Rep. By the Secretary, Department of Revenue,
   Ministry of Finance, North Block, New Delhi- 110 001.

2. The Commissioner of Income Tax (Appeals)
   Income Tax Department
   121, Nungambakkam High Road,
   Chenai, T.N. – 600 034.

3. The Assessment Unit,
   Income Tax Department,
   2nd Floor, E-Ramp Jawaharlal Nehru Stadium
   Lodhi Road, New Delhi – 110 003.

...Respondents

Prayer

Writ Petition filed under Article 226 of the Constitution of India praying for the issuance of a Writ of Certiorarified Mandamus to call for records of the third Respondent culminating in the impugned Penalty Order dated 24.12.2025 bearing DIN : ITBA/PNL/F/271(1)(C)/2025-

26/1084070497(1) for the Assessment Year 2012-13 and consequent demand notice dated 24.12.2025 bearing DIN & Notice No.ITBA/PNL/S/156/2025-26/1084068289(1) issued by the third respondents and to quash the same as arbitrary and consequently, to direct the second respondent to consider and dispose of the petitioner's Rectification Application dated 04.12.2025.

For Petitioner	:	Mr.Ashwin Shanbhag
For Respondent	:	Ms.C.P.Priya, Senior Standing Counsel

Order

With the consent of the learned counsel for the Petitioner and the learned Senior Standing Counsel, who accepts notice on behalf of the Respondents, this Writ Petition is being disposed of at the time of admission.

2. The Petitioner is before this Court against the Penalty Order dated 24.12.2025 passed under Section 271(1) (c) of the Income Tax Act, 1961 (for the sake of brevity, the Act) for the Assessment Year 2012-13 and the consequent demand notice dated 24.12.2025 passed by the Respondent.

3. The impugned penalty Order has been passed in the background of an Assessment Order dated 27.12.2019 passed under Section 143 (3) read with Section 147 of the Act, wherein, based on an unregistered Sale

Agreement dated 23.07.2010 executed by the Petitioner, the Petitioner was assessed to tax for a total taxable income of Rs.89,81,097/- for the Assessment Year 2012-2013.

4. The Petitioner had filed an appeal against the said Assessment Order dated 27.12.2019, which has been rejected vide Order dated 22.04.2025 passed under Section 250 of the Act by Appellate Authority, the Commissioner of Income Tax (Appeals).

5. It appears that the Petitioner has also filed an application on 04.12.2025 under Section 154 of the Act for revision of the Assessment Order dated 22.04.2025, which has now been rejected vide Order dated 06.02.2026 on the ground that there was no error apparent on the face of record in the Order dated 22.04.2025 passed by the Appellate Authority/Commissioner of Income Tax (Appeals).

6. It is in this background, the Petitioner has challenged the Penalty Order dated 24.12.2025 as unsustainable in the light of the above facts and circumstances.

7. I have considered the submission made by the learned counsel for the Petitioner and the learned Senior Standing Counsel for Respondents.

8. At best, the Petitioner can be granted liberty to challenge the Appellate Order dated 22.04.2025 passed by the Appellate Authority/Commissioner of Income Tax (Appeals) before the Income Tax Appellate Tribunal.

9. In case, the Petitioner files such an Appeal to challenge the Order dated 22.04.2025 passed by the Appellate Authority/Commissioner of Income Tax (Appeals), the Appellate Tribunal shall proceed to pass orders on merits. All issues are left open for the Petitioner to be canvassed before the Tribunal.

10. All recovery proceedings pursuant to the impugned Penalty Order however, shall be kept in abeyance for a period of three months from today. Within such time, the Petitioner shall file an appeal against the Order dated 22.04.2025 passed by the Appellate Authority/Commissioner of Income Tax

(Appeals) before the Tribunal and may secure an interim relief from the Tribunal. Failing which, the Respondent can proceed against the Petitioner in accordance with law.

11. This Writ Petitions is dismissed with the above liberty. No costs. Consequently, connected Miscellaneous Petitions are closed.

10.02.2026

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Index : yes/no
Neutral Citation : yes/no

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C.Saravanan,J.,

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