IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 06.01.2026

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.49972 of 2025
and
W.M.P.Nos.55877 and 55878 of 2025

Sriram Educational and Charitable Trust,
4-127/47B, Kooduthuraipatti Village,
Kongarapatti Harrur,
Dharmapuri – 635 202. ... Petitioner

Vs.

1. The Assistant Commissioner of Income Tax (Exemptions),
Coimbatore,
May Flower Mid City Building, 1510, Trichy Road,
Coimbatore – 641 018.
2. The Commissioner of Income Tax (Exemptions)
Aayakar Bhawan – Annexe Building,
No.121, Mahatma Gandhi Road,
Nungambakkam, Chennai – 600 034.
3. The Commissioner of Income Tax, (Appeals),
National Faceless Appeal Centre,
Income Tax Department, Ministry of Finance,
Room No.401, 2nd Floor, E-Ramp,
Jawaharlal Nehru Stadium, Delhi – 110 003.
4. The Branch Manager, Karur Vysya Bank,
37 Bazaar Street, Kambainallore,
Dharmapuri – 635 202.w
5. The Branch Manager, Axis Bank,
Jeewan Jyothi LIC BO building,
Harur Bye Pass Road, Harur,
Dharmapuri – 636 903.
6. The Branch Manager,Indian Bank,
36, Semmanahalli Road, Kambainallur,
Karimangalam Taluk, Dharmapuri-635202. ... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorarified Mandamus, to call for records relating to the Notices dated 10.11.2025 issued by the 1st Respondent vide DIN & Notice No:ITBA/COM/F/17/2025-26/1082420585(1), DIN & Notice No:ITBA/COM/F/17/2025-26/1082420915(1) & DIN & Notice No: ITBA/COM/F/17/2025-26/1082420781(1) to the 4th, 5th & 6th Respondents attaching the bank accounts of the petitioner, quash the same and consequently direct the Respondents to refrain from recovery of the tax pending disposal of the appeal vide Acknowledgement no:111501500070423(A.Y.2018-19) & Acknowledgement no:187149710250424 (A.Y.2022-23).

For Petitioner : M/s.Sowjanya S
For Respondents : Mr.V.J.Arulraj,
Senior Standing Counsel
Ms.AnuGanesan,
Junior Standing Counsel

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ORDER

The petitioner is before this Court challenging the impugned notice dated 10.11.2025 issued under Section 226(3) of the Income Tax, 1961. The impugned notices have been issued to respondents 4, 5 and 6.

2. By virtue of aforesaid notices, the said respondents have been directed to transfer a sum of Rs.46,00,169/-, being the arreras of amount arising pursuant to the Assessment Orders dated 13.03.2023 and 26.03.2024 passed for the Assessment years 2018-2019 and 2022-2023 respectively.

3. The petitioner has also filed appeals against the respective assessment orders for the Assessment Years 2018-2019 dated 13.03.2023 and 2022-2023 dated 26.03.2024 before the Appellate Commissioner on 07.04.2023 and 26.04.2023 respectively. These appeals are said to be pending.

4. In these appeals, the petitioner has also filed applications seeking stay of the respective assessment orders. Meanwhile, during the interregnum, the petitioner also requested stay of operation of the impugned order in terms of Section 220(6) of the Income Tax Act before the Income Tax Officer vide application dated 14.10.2024, which came to be disposed of by an order dated 22.10.2024.

5. The Operative portion of the said order has re-produced below:-

> " 6. After exhausting the stay option before the Assessing Officer, the assessee filed stay petition before the undersigned through on 14.10.2024. In this regard, Mr C Venugopal, Representing Counsel appeared before the undersigned on 18.10.2024 and submitted that on 01.10.2024 the assessee has made a payment of Rs.31,43,027/- towards the outstanding demand. The Representing Counsel of the assessee further requested that Rs.20,00,000/- may be taken by the department from the attached account of the assessee towards 20% of the disputed tax. Further he has requested for granting 10 installments for paying Rs.46,80,969/- i.e. the balance of

> 20% of the disputed demand. The assessee also requested for lifting the attachment of his bank accounts.
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> 7. considering assessee's plea and facts and the circumstances of the case, the assessee is directed to pay Rs.20,00,000/- immediately and for the remaining balance of 20% of the disputed demand, equated monthly installments are granted for a period of 10(ten) months. The monthly installment has to be paid on or before 10th every month without fail. In case of any default on the due date, the very next day Bank Account will be attached without any further notice."

6. According to the petitioner, the petitioner has complied with the above stipulations insofar as payment of a sum of Rs.20 lakhs is concerned. However, the petitioner has not discharged the balance tax liability.

7. It is submitted that the petitioner is required to pay salaries for the month of November and to meet other administrative expenses in connection with the school run by the petitioner. It is submitted that in view of the impugned notice dated 10.11.2025 issued under Section 226 (3) of Income Tax Act, 1961, the petitioner is unable to pay salaries to its staffs and teachers.

8. It is submitted that entire operations of the schools will come to a standstil if salaries and other expenses are not paid to the staff and to endors supplying goods and services to the petitioner's school.

9. It is noticed that there is no challenge insofar as the petitioner's application dated 14.10.2025 is concerned, wherein the petitioner had sought permission to pay the balance disputed tax of Rs.46,80,909/- in ten monthly installments. However, the same does not appear to have been complied with by the petitioner.

10. Balancing the interests of the petitioner and the revenue and considering the fact that the petitioner is running an educational institution and considering the fact that the salaries to teachers and staffs have to be paid and further payments are required to be made to the suppliers of goods and services, the impugned notices are quashed and subject to the petitioner depositing a sum of Rs.46,80,969/- in Ten equated monthly installments of Rs.4,68,096/- (rounded off to Rs.468100/-), pending orders of the Appellate Commissioner in the appeals filed by the petitioner against the respective Assessment Orders referred to supra.

11. Any default in payment of installments shall result in revival of the impugned notices, in which, respondents are at liberty to proceed against the petitioner.

12. Meanwhile, the Appellate Authority shall endeavour to dispose of the appeal as expeditiously as possible, preferably within a period of twelve months from the date of receipt of a copy of this order.

13. The Writ Petition is disposed of with the above observations. No costs. Connected W.M.Ps. are closed.

06.01.2026

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Neutral Citations: Yes/No
To:

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C.SARAVANAN, J.

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