IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 10.05.2024

CORAM :

THE HONOURABLE MR. JUSTICE R. MAHADEVAN
and
THE HONOURABLE MR. JUSTICE MOHAMMED SHAFFIQ

Writ Appeal Nos.1933, 1934 and 1936 of 2021
and
CMP Nos. 12500, 12504 and 12525 of 2021

W.A. No. 1933 of 2021

M/s. Anand Granite Exports Pvt Ltd
represented by its Director
Mr. Sridhar Anand
1B, A Block, Anugraha Apartments
19, Nungambakkam High Road
Chennai - 600 034 .. Appellant

W.A. No. 1934 of 2021

M/s. Global Exports
represented by its Partner
Mr. Sridhar Anand
1B, A Block, Anugraha Apartments
19, Nungambakkam High Road
Chennai - 600 034 .. Appellant

W.A. No. 1936 of 2021

Mr. Sridhar Anand
represented by his Legal heir
Late Dr. P. Anand
1B, A Block, Anugraha Apartments
19, Nungambakkam High Road
Chennai - 600 034 .. Appellant

Versus

1. Income Tax Settlement Commission
(now substituted as Interim Board for Settlement
by Finance Act, 2021)
represented by its Secretary
Additional Bench, Chennai
Ministry of Finance
Department of Revenue
No.640, Anna Salai, Nandanam
Chennai - 600 035

2. The Deputy Commissioner of Income Tax
Central Circle - 1 (1), Chennai
New No.46, Mahatma Gandhi Road
Chennai - 600 034 .. Respondents in all the Writ Appeals

WA No. 1933 of 2021:- Appeal filed under Clause 15 of Letters Patent against the order dated 17.04.2021 passed in W.P. No. 664 of 2018 on the file of this Court.

WA No. 1934 of 2021:- Appeal filed under Clause 15 of Letters Patent against the order dated 17.04.2021 passed in W.P. No. 665 of 2018 on the file of this Court.

WA No. 1936 of 2021:- Appeal filed under Clause 15 of Letters Patent against the order dated 17.04.2021 passed in W.P. No. 663 of 2018 on the file of this Court.

For Appellant : Mr. T. Pramod Kumar Chopda, Senior Advocate
for Mr. R. Sivaraman
in all the Writ Appeals

For Respondents : Mr. A.P. Srinivas
Senior Standing Counsel
in all the Writ Appeals

COMMON JUDGMENT

R.MAHADEVAN, J.

All these appeals are filed by the appellants / assessees questioning the correctness of the common order dated 17.04.2021 passed by a learned Judge in W.P. Nos. 664, 665 and 663 of 2018 respectively.

2. The grounds raised in all the writ appeals are identical and common arguments have been advanced by the counsel for both sides. Therefore, all these appeals are disposed of by this common judgment.

3. The necessary facts leading to the filing of these appeals are as follows:

(i) One P.Anand, an individual, was a Director of M/s.Anand Granite Exports Private Limited and Proprietor of two concerns viz., Anand Enterprises and Snow White Salts. He was also a partner in M/s.Global Exports, a partnership firm holding 5% shares in the said firm. He was primarily engaged in the business of trading in granite and manufacturing salt.

(ii) According to the appellants, a search was conducted by the respondent authorities on 25.02.2014 in exercise of power conferred under

Section 132 of the Income Tax Act, 1961 (in short, "the Act") in the registered and administrative office of Anand Granite Exports Private Limited and in the residential premises of the said Dr. P.Anand. Simultaneously, search was also conducted under Section 133A of the Act in the business premises of M/s. Global Exports, during which sworn statements of the appellant in WA No.1936 of 2021 and other employees were recorded under Section 131/ 132 (4) of the Act. While so, on 25.11.2014, the said Dr.P.Anand had died.

(iii) Subsequent to the search and recovery of documents, notices under Section 153C r/w section 153A of the Act were sent to the appellants for the assessment years from 2008-2009 to 2013-2014. In respect of Assessment Year 2014-15, notice under Section 142 (1) of the Act was issued to the appellants in WA Nos.1933 and 1936 of 2021. After intimating the demise of the said Dr. P. Anand to the department, notices under Section 153A were withdrawn and fresh notices were issued to the legal heir of the deceased for the assessment years from 2008-2009 to 2013-14.

(iv) Thereafter, the appellants filed settlement applications under Section 245C of the Act for the block period from 2008-2009 to 2014-2015. In the settlement applications, they disclosed the particulars relating to allowance and disallowance, interest credited into savings bank account, unexplained cash credits, unexplained investments in Bangalore flat, etc. That apart, the appellants also disclosed the details of the additional income, tax and interest payable thereof, besides paying the additional tax amount and interest thereon.

(v) It was further stated by the appellants that the settlement applications preferred by the appellants were allowed by the first respondent by orders dated 10.05.2016 / 12.07.2016 passed under Section 245D (1) of the Act. However, it was held therein that there was no *prima facie* material in its possession which warranted the conclusion that true and full disclosure had not been made by the appellants. Subsequently, report under Section 245D (2B) of the Act was called for from the Principal Commissioner of Income Tax. In response, vide letters dated 13.06.2016 / 02.08.2016, reports were submitted by the PCIT. Thereafter, the first respondent, *vide* orders dated 22.06.2016 / 16.08.2016 passed under Section 245D (2C) of the Act, allowed the settlement applications to be proceeded and declared as "not invalid". By the said orders, the first respondent directed the Principal Commissioner of Income Tax to submit Rule 9 report for further action.

(vi) As per the above said direction, the Principal Commissioner of Income Tax, by letters dated 23.09.2016 / 30.09.2016 filed their detailed Rule 9 reports and the appellants also submitted point-wise submissions on 21.11.2016 clarifying all the issues raised therein together with documentary evidence. However, the Principal Commissioner of Income Tax requested the first respondent to conduct further enquiry/investigation on certain issues. Accordingly, the first respondent, after hearing both sides, passed orders dated 02.05.2017 permitting the Principal Commissioner of Income Tax to file report under Section 245D(3). Accordingly, the Principal Commissioner of Income Tax filed their reports on 04.07.2017 endorsing the reports of the second respondent and lower authorities.

(vii) On 12.10.2017, during the personal hearing under Section 245D(4) of the Act, the first respondent directed the Principal Commissioner of Income Tax to cause verification in respect of certain issues raised in Rule 9 reports. Pursuant to such direction, the Principal Commissioner of Income Tax submitted their replies on 08.11.2017 and served the same on the appellants on 09.11.2017. Even in the said replies dated 08.11.2017 of the Principal Commissioner of Income Tax, it was not stated that there is failure on the part of the appellants to make full and true disclosure of all the facts. The only discrepancy noticed was with regard to the quantification of additional income. Thus, the appellants had truly and fully disclosed all the incomes in the settlement applications, including the additional income.

(viii) According to the appellants, the replies dated 08.11.2017 were served on them on 09.11.2017 and without giving sufficient time, the first respondent directed the settlement applications to be posted for hearing on

10.11.2017. Hence, the authorised representative of the appellants was not in a position to submit a detailed submissions before the first respondent. Notwithstanding the same, on 10.11.2017, the first respondent directed that the copies of the documents received from the FT & TR Division relating to the appellants be laced for the comments and reply by the authorised representative of the appellants. However, the first respondent, without considering the fact that voluminous documents were filed by the Principal Commissioner of Income Tax by way of Rule 9 reports and the appellants were not given reasonable time to respond the same, passed the orders under Section 245D(4) of the Act on 16.11.2017. Challenging the same, the appellants have filed the Writ Petitions.

4. The learned Judge, after hearing the rival submissions, by the common order dated 17.04.2021, dismissed the writ petitions with the following observations:

> *"17. Conjoint reading of these provisions would reveal that the report of the Commissioner of Income Tax, opportunity for the petitioner to convert the materials and all such aspects are provided, enabling the petitioner to establish his cases with reference to the applications filed and not in respect of the other income or other materials.*
>
> *18. It is to be understood that the procedures as contemplated under Section 245(D) cannot travel beyond the scope of the applications filed under Section 245(C) of the Income Tax Act. If Section 245(D), the procedures as contemplated are allowed to go beyond the scope of Section 245(C), then undoubtedly, the very spirit of Section 245(C) for settlement of cases are diluted and further, it will result in usurping the powers of the Assessing Officer and other competent authorities for*

initiation of actions under the other provisions of the Income Tax Act. Every authority is empowered to exercise his power within the parameters and within the ambit of the provisions of the Act. As far as the settlement cases are concerned, the application filed under Section 245(C) is to be entertained and to be dealt with in accordance with the procedures as contemplated under Section 245(D) and the procedures as contemplated under Section 245(D) would not provide powers to the Settlement Commission to travel beyond the scope of the provisions and with reference to Section 245(C). Procedures are contemplated in order to cull out the truth regarding the true and full disclosure to be made along with the application filed under Section 245(C) and therefore, at any stage of the enquiry, the Settlement Commission, if able to form an opinion that an application is not filed with true and full disclosure, then such an application shall be rejected. The very legislative intention of the procedures formulated under Section 245(D) is to ensure that the application for settlement of cases are considered in accordance with Section 245(C) and therefore, the powers of the Settlement Commission is limited to the extent of the scope of Section 245(C) and the other provisions of the Act can be exercised only in order to formulate an opinion and not to make a regular assessment under the Act, which is the power to be exercised by the competent authority and certainly not by the Settlement Commission.

19. In this regard, it is relevant to consider the judgment of the Hon'ble Division Bench of the Madras High Court in the case of Canara Jewellers Vs. Settlement Commission, reported in [2009] 184 Taxman 491 (Madras), and the relevant paragraphs are extracted hereunder:

> *"8. The provision of Section 245C of the Income Tax Act, 1961 fell for consideration before the Supreme Court and High Courts from time time. In C.I.T. vs. Express Newspapers Ltd., (1994) 206 I.T.R. 443 (SC), the Supreme Court held that in an application under Section 245C of the Act, for settlement of applicant's income tax case, there should be disclosure of income not earlier disclosed before the Assessing Officer. If the Assessing Officer or the income tax authority has already discovered it and either has gathered the material to establish the particulars of such income or fraud fully or is at a stage of investigation/enquiries, then the disclosure cannot be said to be voluntary or in good faith and the assessee cannot be allowed to take advantage of the comparatively easy course of settlement. The scope of Section 245C of the Income Tax Act, 1961 was also noticed by this Court in Ace Investments Ltd. vs. Settlement Commission, (2003) 264 I.T.R. 571 (Mad), wherein a learned single Judge of this Court held that full and true disclosure of income by the assessee is a condition precedent for settlement of cases and for grant of immunity from penalty and prosecution.*

Sections 245C and 245H of the Income Tax Act, 1961 contemplate full and true disclosure by the applicant of income and the manner in which such income has been derived. When once it is held that an application filed for settlement of cases is not maintainable on the ground that the applicant has not made full and true disclosure of the income, proceeding with such application and deciding the issue would be outside the power of the Settlement Commission, as the application itself is not in conformity with Section 245C(1) of the Act. A similar view was expressed by a Division Bench of this Court in Dr. C.M.K. Reddy vs. Settlement Commission, (2008) 306 I.T.R. 403 (Mad).

11. So far as Section 245F is concerned, though the Settlement Commission is empowered to have all powers which are vested in an Income Tax Authority under the Act, in addition to the power conferred under Chapter XIXA, but such power can be exercised for the purpose of procedure of settlement of application under Section 245C and not for re-assessment of tax of a particular year which is vested with the Assessing Authority."

20. The High Court of Delhi in the case of Rohit Kumar Gupta Vs. Principal Commissioner of Income Tax, Central-II, reported in [2019] 109 taxmann.com 257(Delhi), held as follows:

"45. The above decision interprets Section 245D (4) as a substantive provision from where the powers of the ITSC to pass such order as if it thinks fit arises. The next question that arises is whether the expression 'such orders if it thinks fit' would include the power to pass an order rejecting an application. If the interpretation placed by the Petitioners on this provision is accepted it would mean that after having allowed the applications to be proceeded with in terms of its order passed under Section 245D (1) of the Act, the ITSC cannot at this stage, after the report of the Commissioner has been submitted to it pursuant to an order under Section 245D (2C) of the Act, dismiss the application at all and that it would necessarily have to pass an order providing for the terms of settlement. However, this does not appear to be a correct understanding of the ambit of the expression 'such orders it deems fit'.

47. The Court is unable to understand how the above decision helps the Petitioners in support of their contention that the ITSC cannot at the stage of passing of final order under Section 245D(4) of the Act, reject an application for failure of the Applicant to make a full and true disclosure and the manner in which the undisclosed income was derived."

21. In the present cases, the findings of the Settlement Commission are unambiguous and specific facts and circumstances were also relied on by the Settlement Commission to arrive a decision regarding true and full disclosure by the petitioner. Such a finding of fact *need not be interfered with by the High Court under Article 226 of the Constitution of India, unless such facts are found to be error apparent. When there was an adjudication of facts and the Settlement Commission arrived a finding that factually the petitioner has not established that he filed applications under Section 245(C) with true and full disclosure, then the High Court is expected to exercise restraint in entertaining a writ proceedings under Article 226 of the Constitution of India.*

22. In the present cases, the petitioner could not able to establish that he approached the Settlement Commission with clean hands and the element of true and full disclosure as contemplated under Section 245(C) had not been established before the Settlement Commission and therefore, there is no perversity or infirmity as such in respect of the findings arrived.

23. It is brought to the notice of this Court that the Settlement Commission has already been abolished with effect from 01.02.2021. This being the factum established, the writ petitions fail and accordingly, all the three writ petitions stand dismissed. No costs. Consequently, connected miscellaneous petitions are closed."

5. Assailing the aforesaid common order dated 17.04.2021 of the learned Judge, the present writ appeals are filed by the appellants / assessees.

6.(i) Mr. Pramod Kumar Chopda, learned Senior counsel appearing for the appellants submitted that the orders passed by the first respondent, which were impugned in the writ petitions, are in gross violation of the principles of natural justice and the provisions of the Act. The Act empowers the first respondent to determine the terms of settlement after considering all the facts and circumstances of the case and by conducting necessary enquiries. However, the first respondent failed to conduct adequate enquiry, which has vitiated the orders of rejection. The learned Judge, without taking note of the above facts, has dismissed the writ petitions as not maintainable. In this context, the learned Senior counsel relied on the decisions of the Apex Court in **Jyotendrasinhji vs. Tripathi and others** reported in **(1993) 201 ITR 611 (SC)** and **C.A. Abraham vs. ACIT** reported in **255 ITR 340** and submitted that an order of the Settlement Commission can be subjected to judicial review when such an order is in violation of mandatory procedural requirements or principles of natural justice or where there was no nexus between the reason given and the decision taken.

(ii) The learned Senior counsel further submitted that the appellants had truly and fully disclosed the income as required under Section 245C of the Act. However, the first respondent, without any material evidence, concluded that the appellants had suppressed the income. Thus, on mere surmises and suspicion, the first respondent passed the orders of rejection. This was not properly appreciated by the learned Judge while dismissing the writ petitions of the appellants. Adding further, it is submitted that the learned Judge did not take note of the fact that the appellants in their settlement applications, have declared true and full particulars of all the incomes without any suppression. The first respondent was satisfied with the particulars of income submitted at the earliest point of time and proceeded to determine the claim of the appellants under Section 245D(2C) of the Act. However, with the same objection raised by the Department, without any new material to substantiate the same, the orders of rejection were passed by the first respondent and hence, they are illegal and arbitrary.

(iii) The learned Senior counsel also invited our attention to the fact that on 09.11.2017, the Principal Commissioner of Income Tax handed over the reports to the authorised representative in a sealed cover. The appellants were not aware of the contents of the reports in the sealed cover. The fact remains that the appellant in W.A. No. 1936 of 2021 is the legal heir of late Dr. Anand and he was only a student at that time and hence, he was not aware of the investments made by his deceased father. In such circumstances, if adequate opportunity is granted, he would have either satisfactorily explained or offered the said amount before the first respondent and paid taxes. However, such a reasonable opportunity has not been given to the appellants. This aspect was omitted to be considered by the learned Judge, while dismissing the writ petitions.

(iv) The learned Senior counsel further submitted that the first respondent failed to exercise the powers vested under Section 245D (6) of the Act after allowing the appellants to pass through the stage set under Section 245D (3) of the Act and the first respondent failed to pass the speaking orders thereby defeating the very purpose of empowering him to do complete justice in a case of settlement of the dispute. With these submissions, the learned Senior counsel for the appellants prayed for allowing all the appeals as prayed for.

7. (i) Per contra, Mr. A.P.Srinivas, learned Senior Standing counsel appearing on behalf of the respondents submitted that the first and foremost requirement in filing an application for settlement before the Settlement Commission, is that the assessee must come forward with full and true disclosure without suppressing any material particulars. Unless the assessee fulfils the statutory guidelines provided under Section 245(C), he is not entitled for the settlement of the dispute before the Commission. When it is noticed that the assessee has not truly and fully disclosed all the incomes within his knowledge, then, the application for settlement cannot be entertained and it can be rejected *in limine*. In the present case, the appellants failed to fulfil the mandate provided under Section 245(C) of the Act and therefore, the orders of rejection passed by the first respondent are lawful and the same cannot be said to be arbitrary. Continuing further, he submitted that the assessee, while filing an application under Section 245(C) of the Act, must establish at the first instance that true and full disclosure of income is made before the Settlement Commission; and that, if there is any controversy or discrepancy in disclosure

of income, then, the Settlement Commission is empowered to reject the application. In this case, the Commission, after affording opportunity at all stages of the proceedings, dissatisfied with the disclosure of income by the appellants and rejected the settlement applications. It is not as though the appellants were not given opportunity of hearing before the Commission; and the appellants were fully heard and therefore, the allegations to the contra are liable to be rejected. The learned Judge declined to interfere with the orders of the first respondent upon noticing that the appellants failed to disclose various incomes and there are discrepancies in the income disclosed by the appellants.

(ii) The learned Senior Standing Counsel also submitted that with respect to the income derived out of foreign bank accounts or deposits or investments and income from M/s. Universal Construction Supplies, FZE, Sharjah, UAE and flat at Dubai Marina, UAE in the name of (Late) Dr.P.Anand, there is complete absence of disclosure in the returns as well as in the applications for settlement. Further, the business activities of the applicant and the company M/s.Anand Granite Exports Pvt Ltd., (represented by the applicant as Director) in Dubai have also not been disclosed in the SOF of the respective applications or in their returns of Income filed. Therefore, it cannot be said that the disclosure / statements made by the appellants are full, complete and true. Taking note of the concealment of facts which require deeper investigation, particularly with reference to foreign accounts/assets, the first respondent concluded that there is suppression of material particulars and the appellants are not entitled to settlement process. The claim of the appellant in WA No.1936 of 2021 that he is only the legal heir of Late Dr. Anand and he was not aware of the dealings made by his father, cannot be accepted, inasmuch as the appellant is also involved in the dealings/transactions along with his father as could be evident from the documents received from UAE Authorities. Thus, the disclosure said to have been made by the appellants is incomplete, contrary to truth and not in accordance with the requirement under Section 245D of the Act.

(iii) It is also submitted that the department, during the course of investigation, noticed that various foreign bank accounts in Dubai, China, and U.K, have been suppressed. The enquiry made in relation to these accounts is in progress. That apart, regarding the disclosure made in the SOF, the applicants have failed to give the details of manner in which the income was earned. Hence, owing to non-disclosure of the income in full and also due to deficiency in explaining the facts gathered by the Department from UAE and the manner in which the income was earned, the applications for settlement were rightly rejected by the first respondent. In such circumstances, the learned

Judge is justified in dismissing the writ petitions filed by the appellants by the order impugned herein, which does not require any interference by this court.

8. We have heard the learned Senior counsel for the appellants and the learned Senior Standing Counsel for the respondents and also perused the materials placed on record.

9. It is not in dispute that the original assessee Dr.P.Anand had died on 25.11.2014 and his son by name Sridhar Anand is the only legal heir of the deceased. It appears that pursuant to the search and recovery made in the business and residential premises of the original assessee, notices under Section 153-A of the Act were issued to the appellants for the assessment years 2008-2009 to 2013-2014. Subsequently, another notice was issued in respect of the Assessment year 2014-2015. On intimation of the demise of the original assessee, notices issued under section 153A were withdrawn and fresh notices were issued to the legal heir of the deceased. Upon receipt of the same, the appellants preferred the settlement applications under Section 245-C of the Act for the Assessment years from 2008-2009 to 2014-15. Initially, the settlement applications were entertained by the first respondent *vide* orders dated 10.05.2016 / 12.07.2016 passed under Section 245D (1) of the Act, and the

appellants also offered additional income for the assessment years under consideration. However, after filing of Rule 9 reports by the Principal Commissioner of Income Tax, the first respondent rejected the settlement applications, by orders dated 16.11.2017, which were impugned in the writ petitions. The learned Judge also refused to interfere with the rejection orders passed by the first respondent, by the order impugned in these appeals.

10. Before us, the learned senior counsel for the appellants would vehemently contend that the particulars furnished in the settlement applications are true and correct. Further, it was contended that the Settlement Commission, before passing the orders dated 16.11.2017, did not provide adequate opportunity to the appellants and therefore, the said orders are in violation of principles of natural justice. In effect, it was contended by the appellants that the copies of the replies given by the Principal Commissioner of Income Tax dated 08.11.2017 were received by them on 09.11.2017, on which date, the case was posted for personal hearing, as contemplated under Section 245D (4) of the Act and subsequently, it was adjourned to 10.11.2017. Thus, only half a day was provided to enable the appellants to submit their written submissions to the report under Section 245D (3) of the Act.

11. However, we are not inspired by the submissions so made on behalf of the appellants. First of all, settlement applications must contain full and true disclosure of the income supported by documentary evidence. In the absence of such disclosure, the remedy by way of settlement cannot be availed. The Settlement Commission, in its orders dated 16.11.2017, has dealt with each and every opposition raised by the Principal Commissioner of Income Tax and the replies furnished by the appellants thereof. On going through the oppositions raised by the Principal Commissioner of Income Tax, which were narrated by the Settlement Commission extensively in its orders dated 16.11.2017, we find that there are several shortcomings in the particulars of income disclosed by the appellants in their settlement applications.

12. Further, it is evident from the orders of the settlement commission that the first respondent, after considering Rule 9 reports of the Principal Commissioner of Income Tax and the replies submitted by the appellants, rejected the settlement applications filed by the appellants, by observing that the disclosure is not full and true and that, there is deficiency in explaining the manner in which the income has been earned. On a detailed analysis, it is also apparent that there is no disclosure of the facts in the applications or in the returns of income about the foreign bank accounts or deposits or investments

and income from M/s. Universal Construction Supplies, FZE, Sharjah, UAE and flat at Dubai Marina, UAE of the original applicant late Dr.P.Anand. That apart, the business activities of the applicant and his company M/s.Anand Granite Exports Pvt Ltd. situated in Dubai, have not been mentioned in the applications or returns of income. Therefore, the settlement commission was of the view that there is concealment of facts, which require deeper investigation into the case of the applicants, particularly, with regard to the foreign accounts / assets. Though the applicant in WA. No.1936 of 2021 / legal heir of the deceased Dr.P.Anand, stated that he is not aware of the dealings of his father Dr.P.Anand, the same was not accepted by the settlement commission stating that he is also involved in the dealings of the original applicant, as evident from the documents received from the UAE authorities.

13. The first respondent / settlement commission has also observed in its orders dated 16.11.2017, which were impugned in the writ petitions that the original applicant late Dr.P.Anand was the Managing Director of Anand Granite Exports Private Limited during the period covered in the settlement applications; that, various foreign bank accounts in Dubai, China and UK have been found, and that the enquiry in relation to these accounts is in progress. It was specifically mentioned by the settlement commission in its order in

TN/CN/51/2016-17/2-IT relating to M/s.Anand Granite Exports Pvt. Ltd, that as per the evidence furnished by UAE authority, the applicant company obtained licence on 28.10.2013 to do trading of building and constructions materials; but the business activities of the applicant company in Dubai and any income derived therefrom were not disclosed in the settlement applications or in the returns of income filed before the Department. That apart, the names of the maistries given for verification, do not tally with that of the name given in the sworn statements, settlement applications and during the course of hearing. In addition, the appellant failed to extend full co-operation to furnish and explain the true nature of entries / transactions with Bannari Amman Sugars Ltd. It is also pointed out in the order in TN/CN51/2016-17/44-IT relating to M/s.Global Exports that the applicant has suppressed the export sales receipts amounting to Rs.1.32 crores for the AY 2008-09 which was admitted only at the time of final hearing after verification. Thus, it is clear that the appellants failed to disclose true and full particulars of the income earned and to explain the manner in which it was earned. In such circumstances, this Court cannot direct the Settlement Commission to entertain the settlement applications submitted by the appellants, notwithstanding the various shortcomings noticed by them.

14. Pointing out the specific facts and circumstances to reach the conclusion that the settlement applications do not contain true and full particulars of the income to be subjected to tax under the Income Tax Act, the learned Judge in para No.21 of the order impugned herein, has rightly held that such a finding of fact need not be interfered with by this Court under Article 226 of the Constitution of India, unless such facts are found to be error apparent. The learned Judge also rendered a finding that when there was an adjudication of facts and the Settlement Commission arrived at a finding that factually, the appellants could not establish while filing the settlement applications, then, this Court has to exercise restraint in entertaining the writ petitions as against the order of the Settlement Commission. Therefore, this court finds no reason to interfere with the order passed by the learned Judge in dismissing the writ petitions filed by the appellants.

15. In fine, all the writ appeals are dismissed. No costs. Consequently, connected miscellaneous petitions are closed.

[R.M.D., J] [M.S.Q., J]
10.05.2024

Index : Yes / No
Internet : Yes / No
rsh

R. MAHADEVAN, J
and
MOHAMMED SHAFFIQ, J

rsh

To

1. The Secretary
   Income Tax Settlement Commission
   (now substituted as Interim Board for Settlement
   by Finance Act, 2021)
   Additional Bench, Chennai
   Ministry of Finance
   Department of Revenue
   No.640, Anna Salai, Nandanam
   Chennai - 600 035

2. The Deputy Commissioner of Income Tax
   Central Circle - 1 (1),
   New No.46, Mahatma Gandhi Road
   Chennai - 600 034

WA Nos. 1933, 1934 & 1936/2021

10-05-2024