IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 25.03.2026

CORAM :

THE HONOURABLE MR. SUSHRUT ARVIND DHARMADHIKARI,
CHIEF JUSTICE
AND
THE HONOURABLE MR.JUSTICE G.ARUL MURUGAN

WA No.773 of 2026
and CMP Nos.7952, 7951 and 7949 of 2026

Dr.Arvind Kumar R Shaw,
S/o.Late Ratilal A Shaw,
Residing at No.121,
West Ponnunagaram Road,
R.S.Puram, Coimbatore-641 002.

Appellant(s)

Vs

1. Union of India,
   Rep. by its Secretary,
   Ministry of Finance,
   Department of Revenue,
   Room No.46, North Block,
   New Delhi-110 001.

2. The Commissioner of Income Tax (Appeals)
   Office of the Commissioner of Income Tax,
   Appeal CIT (Appeals), Chennai-600 020.

3. The Assistant Commissioner of Income Tax,
   Central Circle 1, Coimbatore.

4. The Tax Recovery Officer (Central)
Income Tax Department,
Office of Tax Recovery Central, Room No.320,
3rd Floor, Central Revenue Building,
Queens Road, Bangalore - 560001.

Respondent(s)

PRAYER: Appeal filed under Clause 15 of the Letters Patent to allow this Writ Appeal by setting aside the order dated 27.01.2026 in W.P.No.14256 of 2024 passed by a learned Single Judge of this Court.

For Appellant(s): Mr. Ravikumar Paul
Senior Counsel
for Ms.Joshua Samuel
for M/s. Paul And Paul

For Respondent(s): Mr. A.N.R.Jayaprathap
Standing Counsel
for Income Tax Department

JUDGMENT
(Delivered by the Hon'ble Chief Justice)

Assailing the order dated 27.1.2026 passed by the learned Single Judge in W.P.No.14256 of 2024, the unsuccessful writ petitioner has filed this appeal.

2.1. The facts relevant for disposal of this appeal are that the appellant purchased as Rolls Royce Phantom Car for his personal use for a valuable consideration of Rs.1,45,00,000/-. One

Karthikeyan, who is one of the directors of Sree Annapoorna Srree Gowrishankar Hotels Private Limited, Coimbatore, approached the appellant stating that one Sekar of LULU Group, Cochin, intends to purchase the car for a sum of Rs.80 Lakh. On the bona fide belief that payment would be made, the car was handed over to Karthikeyan together with original documents and keys. However, one duplicate key was retained by the appellant.

2.2. It is further stated that no payment was made and the whereabouts of Karthikeyan were unknown, the appellant lodged a police complaint on 21.11.2017. Upon search, it was found that the car was seized by the Income Tax Authorities from a service centre at Kochi. Thereafter, proceedings came to be initiated by the Income Tax Department and a notice under Section 153C of the Income-tax Act, 1961 was issued on 25.11.2021, which culminated in the impugned assessment order dated 29.12.2021 under Section 143(3) read with Section 153C of the Act.

2.3. It is asserted that the further appeal preferred by the appellant was rejected by second respondent vide order dated

7.3.2024. Assailing the said order, the appellant filed a writ petition, which was dismissed by the learned Single Judge by order dated 27.1.2026, which is impugned in this appeal.

3. We have heard learned counsel for the parties and perused the order passed by the learned Single Judge.

4. In the order impugned passed by the learned Single Judge, it was held thus:

> *"40. Therefore, there is no case to interfere with the impugned orders passed by the Appellate Commissioner/2nd respondent or by the Assessing Officer/3rd Respondent. That apart,* ***there are several disputed questions of facts which cannot dissected and decided in this writ petition. Therefore, this writ petition is liable to be dismissed****.*
>
> *41.* ***Since the car has been in the custody of the Income Tax Department since the year 2017, the department is directed to auction the same and deposit the amount in an escrow account, which is to be appropriated or released to the***

petitioner subject to the final outcome of the proposed appeal to be filed by the petitioner before the Appellate Tribunal.

42. However, a ***liberty can be granted to the petitioner to work out the remedy before the Appellate Tribunal against the impugned order passed by the 2nd Respondent, provided such appeal is filed within a period of 30 days from the date of receipt of a copy of this order***."

[emphasis supplied]

5. It is well settled proposition of law that the High Court, having regard to the facts of the case, has the discretion to entertain or not to entertain a writ petition. Such exercise of discretion will not be to the exclusion of other available remedies, unless such action of the State or its instrumentalities is arbitrary and unreasonable, so as to violate the mandate of Article 14 of the Constitution of India or for other valid and legitimate reasons, which the Court deems fit and necessary to exercise the said jurisdiction.

6. Moreover, it is also trite that if there are very serious disputed questions of fact which are of complex nature and require evidence for their determination, writ petition should not be entertained. In the case on hand, the issue as to whether payment was made by Karthikeyan to the appellant or not cannot be established without consideration of the evidence.

7. The Supreme Court in *CCT v. Glaxo Smith Kline Consumer Health Care Ltd*[1], held thus:

> *"15. We may usefully refer to the exposition of this Court in Titaghur Paper Mills Co. Ltd. v. State of Orissa, (1983) 2 SCC 433, wherein it is observed that* ***where a right or liability is created by a statute, which gives a special remedy for enforcing it, the remedy provided by that statute must only be availed of****. In para 11, the Court observed thus : (SCC pp. 440-41)*
>
> > *'11. Under the scheme of the Act, there is a hierarchy of authorities before which the petitioners can get adequate redress against the wrongful acts complained of. The petitioners have the right to prefer an appeal before the Prescribed Authority under sub-section (1) of Section 23 of the Act. If the*

1 *(2020) 19 SCC 681*

petitioners are dissatisfied with the decision in the appeal, they can prefer a further appeal to the Tribunal under sub-section (3) of Section 23 of the Act, and then ask for a case to be stated upon a question of law for the opinion of the High Court under Section 24 of the Act. ***The Act provides for a complete machinery to challenge an order of assessment, and the impugned orders of assessment can only be challenged by the mode prescribed by the Act and not by a petition under Article 226 of the Constitution. It is now well recognised that where a right or liability is created by a statute which gives a special remedy for enforcing it, the remedy provided by that statute only must be availed of****. …'*

In the subsequent decision in Mafatlal Industries Ltd. v. Union of India, (1997) 5 SCC 536, this Court went on to observe that an Act cannot bar and curtail remedy under Article 226 or 32 of the Constitution. The Court, however, added a word of caution and expounded that ***the Constitutional Court would certainly take note of the legislative intent manifested in the provisions of the Act and would exercise its jurisdiction consistent with the provisions of the enactment****. To put it differently,* ***the fact that the High Court has wide jurisdiction***

***under Article 226 of the Constitution, does not mean that it can disregard the substantive provisions of a statute and pass orders which can be settled only through a mechanism prescribed by the statute**."*

8. The learned Single Judge finding that there are disputed questions of fact involved and there is an efficacious alternative remedy available, granted liberty to the appellant to file a statutory appeal before the Appellate Tribunal. Such finding, in our considered view, does not warrant any interference, as the Income-tax Act provides for a complete machinery to challenge the assessment order as also the order passed by the Commissioner of Income Tax (Appeals).

The writ appeal is, accordingly, dismissed. There shall be no order as to costs. Consequently, interim applications stand closed.

(SUSHRUT ARVIND DHARMADHIKARI,CJ) (G.ARUL MURUGAN,J)
25.03.2026

Index : Yes
Neutral Citation : Yes
sasi

To:

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   Department of Revenue,
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THE HON'BLE CHIEF JUSTICE
AND
G.ARUL MURUGAN,J.

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