# M. Ct. Muthiah and two others v. Commissioner of Income-tax, Madras and another

Petition 646 of 1954

[1955] 2 SCR 1247 | 1955-12-20

## Article 14 and discriminatory income-tax investigation procedure: majority and dissent

Article 14 | Taxation on Income (Investigation Commission) Act 1947, sections 5(1), 8(2), 8(4), 8(5) | Income-tax Act 1922, section 34 as amended in 1948 and 1954

5-judge bench | S. R. Das, Acting C.J. | Vivian Bose | Bhagwati | Jagannadhadas | B. P. Sinha

### Historical statutory scope and outcome limits

Report date appears as 29 August in passages of the majority reasons, but factual account and operative Court order identify 26 August 1952; retain this discrepancy in evidence. Proceedings completed before 26 January 1950 were expressly distinguished. Dissenting propositions are not represented as the holding. Historical statutory setting; no later-treatment or current-law clearance is claimed.

### 01 FACTS OF THE CASE

The Commission's investigations into three family assessees remained pending on 26 January 1950. Its 1952 report led to reassessments completed by May 1954 except 1942–43; legal-reference applications remained pending when the petition was filed.

Source: Primary report: SCR 1250–1253

### 02 DISCUSSION BY THE HON'BLE COURT

The four-judge majority held that the 1948 expansion of ordinary section 34 placed the same substantial evaders within parallel procedures, while Commission cases lacked ordinary fact appeals and inspection rights. The reference cut-off did not rationally justify that disadvantage. The Constitution therefore invalidated pending discriminatory proceedings from 26 January 1950. Jagannadhadas dissented: the substantial-war-evasion class and special investigative scheme remained distinct and justified. Both opinions were fully read.

Source: Primary report: SCR 1253–1268; dissent SCR 1268–1284

### 03 JUDICIAL DECISION

By majority, certiorari quashed the Commission report and assessments for 1940–41, 1941–42 and 1943–44 through 1948–49; prohibition restrained implementation for 1942–43. Respondents were ordered to pay costs.

Source: Primary report: SCR 1284–1285

### 04 OUTCOME / IN WHOSE FAVOUR

Assessees succeeded by majority.

Source: Primary report: SCR 1284–1285


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### 05 AKHB REVIEW POINT

Distinguish the successful 1950 constitutional ground from the rejected theory that pending reference applications kept already completed assessments open until the 1954 amendment. This decision is distinct from the contemporaneous Travancore Musaliar appeals because the comparator statute there had not undergone the 1948 change.

Source: Primary report: SCR 1264–1268

## SOURCE & VERIFICATION

Supreme Court Reports primary scan — public eSCR mirror

Complete 39-page primary Supreme Court Reports scan. Adjoining report fragments, where present, are retained in the exact original; only the identified case is analysed.

Source distinction: The factual account and operative Court order identify the Commission report as dated 26 August 1952; passages in the majority reasons print 29 August 1952. Both dates are preserved; the operative relief follows the Court order.

Open cited source rendition

## STATUTORY SCOPE

Historical predecessor legislation and the provisions expressly identified in this note. This is not a decision applying the Income-tax Act, 1961 or the Income-tax Act, 2025; verify any modern-law comparison independently.

## LATER TREATMENT

Source checked 2026-10-23. Subsequent treatment and current-law applicability have not been comprehensively checked.

### AI DISCLOSURE

This AKHB research note was prepared with AI assistance from an identified primary report. Independent human review is not represented.

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