

(1997) 03 MAD CK 0056

In the Madras High Court

Case No : Writ Petitions No"s. 1576, 1577 of 1987, 1509, 16230 of 1989 and 4154 to 4156 of 1991

Thanthi Trust

APPELLANT

Vs

Wealth-tax Officer and another

RESPONDENT

Date of Decision : 12-03-1997

Acts Referred:

Income Tax Act, 1961 — Section 11, 11(1), 13(1)

Wealth Tax Act, 1957 — Section 14(1), 15, 16, 16(2), 16(4)

Citation : (1999) 235 ITR 621

Hon'ble Judges : Kanakaraj, J;K.A. Swami, J

Bench : Division Bench

Advocate : Debi Prasad Pal, for V. Shanmugham, for the Appellant; S.V. Subramanian and C.V. Rajan, for the Respondent

Judgement

Kanakaraj, J.—All the above writ petitions have been filed by the Thanthi Trust and more or less raise a common question and they can be

disposed of conveniently by a common order.

2. By an instrument of declaration of trust, dated March 1, 1954, the Tamil newspaper Daily Thanthi was established as an organ of educating the

public and disseminate news on all matters of public interest through the said newspaper. The claim of the trust for exemption u/s 4(3) of the Indian

Income Tax Act, 1922, had been upheld for the assessment years 1955-56 to 1961-62. By a supplementary deed, dated June 28, 1961, the

founder of the trust directed that the surplus income of the said trust, after defraying all the expenses should be devoted, by the trustees for

establishing certain educational institutions, providing scholarships for students and for running orphanages. In a Civil Suit No. 90 of 1961, by

judgment dated March 2, 1962, it was held that the trustees were bound by the supplementary document to utilise the surplus funds of the Thanthi

Trust for the educational purposes mentioned in the supplementary document. For the assessment year 1968-69, the trust claimed exemption u/s

11 of the Income Tax Act on the ground that seventy per cent. of the income had been applied for charitable purposes. A similar claim was made

for the assessment year 1969-70. The claim of exemption was denied for the assessment years 1968-69 and 1969-70. The trust filed appeals and

even while the appeals were pending, an attempt was made to reopen the assessments for the earlier years 1956-57 to 1961-62 as also 1965-66

and 1967-68. By judgment dated December 21, 1972, the reopening of the assessment for the earlier years was held to be invalid, so far as the

assessment years 1956-57, 1958-59, 1960-61 and 1961-62 in the writ petitions filed by the trust. However, the reopening of the assessments for

the years 1957-58, 1959-60, 1965-66, 1966-67 and 1967-68 were held to be valid, subject to certain conditions. The said judgment is in

Thanthi Trust Vs. Income Tax Officer, . In respect of the appeals preferred for the assessment years 1968-69 and 1969-70, the matter went up to

the High Court and by judgment dated January 29, 1981, all the questions were answered in favour of the petitioner, holding that the petitioner-

trust is a public charitable trust and can claim the exemption u/s 11 of the Income Tax Act. Therefore, it is contended by the petitioner-trust that it

is by now well-settled that the petitioner is a public charitable trust within the meaning of the Income Tax Act.

3. The above narration relating to the assessments under the Income Tax, are relevant for the purpose of the wealth-tax, with which alone we are

concerned in all the present writ petitions, only for a limited purpose, viz., that section 5(1) of the Wealth-tax Act says that any property held by a

person under trust or other legal obligation for any public purpose of a charitable or religious nature, is not assessable to wealth-tax. We will now

refer to the history of the case in relation to the respective wealth-tax assessments. For the assessment years 1977-78, 1978-79 and 1980-81, the

Wealth-tax Officer held that the petitioner-trust was not liable for assessment. For the assessment year 1982-83, a notice was issued on October

7, 1982, calling upon the petitioner to file a return u/s 14(2) of the Wealth-tax Act. A similar notice was also issued for the assessment year 1983-

84 on September 13, 1983. The petitioner sent replies on November 16, 1982, and January 10, 1983, contending that it was not liable to pay the wealth-tax since it had already been adjudicated that the petitioner is a public charitable trust. However, the petitioner filed ""nil"" returns for the abovesaid two years. The respondent proceeded to issue notice on January 22, 1987, u/s 16 of the Wealth-tax Act, calling upon the petitioner to attend an enquiry with regard to the assessment of the wealth-tax for the years 1982-83 and 1983-84. The petitioner filed Writ Petitions Nos. 1576 and 1577 of 1987 for the issuance of a writ of mandamus to forbear the respondent from proceeding with the assessment under the Wealth-tax Act. The said writ petitions were admitted and an order of interim injunction also was granted by this court against the continuance of the proceedings. For the assessment year 1984-85, a similar notice u/s 14(2) of the Wealth-tax Act was issued on September 28, 1984, and a ""nil"" return was filed. A notice dated January 25, 1989, was issued u/s 16(2) of the Wealth-tax Act, calling upon the petitioner to attend an enquiry. Writ Petition No. 1509 of 1989 is for a similar relief in respect of the assessment year 1984-85. Similarly, for the assessment year 1985-86 a ""nil"" return was filed in response to a notice issued u/s 14(2) of the Wealth-tax Act. The respondent issued a further notice u/s 16 of the Wealth-tax Act on November 29, 1989. Writ Petition No. 16230 of 1989 is for a similar relief in respect of the assessment year 1985-86. We have now seen the scope of the first four writ petitions, viz., Writ Petitions Nos. 1576 and 1577 of 1987, 1509 and 16230 of 1989.

4. We will now refer to the facts of the next three writ petitions, viz., Writ Petitions Nos. 4154 to 4156 of 1991 relating to the assessment years 1986-87, 1987-88 and 1988-89, respectively. In respect of the assessment year 1986-87, the petitioner had not filed any return u/s 14(1) of the Wealth-tax Act, on the ground that the trust is not liable for payment of any wealth-tax. No notice u/s 14(2) of the Wealth-tax Act was also issued. However, a notice was issued on January 21, 1991, u/s 16(4) of the Wealth-tax Act, calling upon the petitioner to file a return and also a statement of wealth. In respect of the assessment years 1987-88 and 1988-89 also, notices were issued u/s 14(2) of the Wealth-tax Act. The petitioner replied by saying that the petitioner was not liable to pay wealth-tax, in view of the exemption u/s 5(i) of the Wealth-tax Act and filed a

nil"" return on November 25, 1987. A notice was issued u/s 16(2) of the Wealth-tax Act on January 21, 1991, calling upon the petitioner to attend

an enquiry. It is at this stage that Writ Petitions Nos. 4154 to 4156 of 1991 were filed, seeking the issuance of a writ of mandamus to forbear the

respondents from proceeding with the assessments in respect of the assessment years 1986-87 to 1988-89.

5. As to what happened in respect of all the three writ petitions, viz., W.P. Nos. 4154 to 4156 of 1991, a close scrutiny of the dates of filing,

admission of the writ petitions and the subsequent events is required to be noticed. On March 21, 1991, these writ petitions were admitted and in

the connected miscellaneous petitions, viz., W.M.P. Nos. 6394 to 6396 of 1991, the following order was passed on March 21, 1991 :

Notice to the respondents returnable on March 27, 1991. Post W.M.P. on March 27, 1991"".

6. On the very same date, the petitioners wrote to the respondent stating that writ petitions had been filed by them and stay petitions were posted

for hearing on March 27, 1991. A notice to that effect was served on counsel for the respondent on March 22, 1991. On March 22, 1991, the

petitioner received a notice stating that the assessment proceedings will be taken up for hearing March 25, 1991. The auditors of the petitioner met

the respondent at 4.00 P.M. on March 25, 1991, and reminded them that the connected miscellaneous petitions for stay were coming up for

hearing on March 27, 1991. On March 27, 1991, when the stay petitions came up before the learned single judge, the respondents were

represented by their senior counsel. The following order was passed, which is self-explanatory of the representation made by either party :

I have heard learned counsel for the petitioner as well as the learned counsel for the Department. Mrs. Nalini Chidambaram, learned counsel for

the respondents, says that so far as the assessment year 1986-87 is concerned, there is likelihood of the bar of limitation setting in. Accordingly,

there will be an interim stay in respect of the notice relating to the assessment year 1986-87. So far as the other assessment years, viz., 1987-88

and 1988-89, are concerned, learned counsel for the Department says no prejudice will be caused to the petitioner and the Department may be

permitted to file the counter affidavit. This statement of counsel is recorded and four weeks" time for filing counter affidavit is granted. After the

filing of the counter affidavit, the petitioners are given three weeks" time to file a reply statement . . .

7. It is unfortunate that in spite of what transpired in the court on March 27, 1991, the respondent had passed an order on March 25, 1991, itself

in the presence of the auditors of the petitioner-trust, holding that there was violation of section 13(1)(d) of the Income Tax Act and that, therefore,

the assessee-trust was not entitled to exemption u/s 11 of the Income Tax Act and, consequently, the trust forfeits the exemption under the

Wealth-tax Act, by virtue of section 21A of the Wealth-tax Act and proceeded to pass an order of assessment for all the three years, viz., 1986-

87 to 1988-89. In the meanwhile, Writ Miscellaneous Petitions Nos. 7622, 7624 and 7626 of 1991 were filed seeking a stay of the assessment

orders, dated March 25, 1991. The following order was passed by the learned judge on April 3, 1991 :

I have heard Mr. Debiprasad Pal, learned senior counsel for the petitioner. Mr. Balasubramaniam, learned counsel for the respondent, wants time

to file counter in the petitions. However, while passing my earlier order, dated March 27, 1991, it was represented on behalf of the Revenue that

no prejudice will be caused to the petitioner by the Department, on account of granting time for filing counter affidavits and I recorded the

statement and granted four weeks time. It is now pointed out that the impugned orders had been passed on March 25, 1991, itself causing

prejudice to the writ petitioner. May be, there was some communication gap. However, I am unable to appreciate the manner in which the orders

have been passed in a hasty manner on March 25, 1991, notwithstanding the fact that notice had been issued and served on the Department, on

March 21, 1991, itself, pointing out that the stay petitions are coming up for orders on March 27, 1991. Accordingly, I am inclined to grant interim

stay in all the three petitions. Time for counter two weeks . . .

8. It is needless to point out that in respect of all the three assessment years, a huge amount of wealth-tax was imposed on the petitioner-trust. Writ

Miscellaneous Petitions Nos. 7621 and 7626 of 1991 were filed by the petitioner seeking permission to amend the prayer in Writ Petitions Nos.

4154 to 4156 of 1991, by seeking to quash the assessment orders, dated March 25, 1991, in respect of the three assessment years, 1986-87 to

1988-89. Thus, the scope of the three writ petitions, viz., W.P. Nos. 4154 to 4156 of 1991, is slightly different, but the difference is more due to

the hasty action of the respondent in passing the assessment orders, dated March 25, 1991, even when the writ miscellaneous petitions for stay

were being posted for final hearing and even in spite of the respondents being made aware of the same.

9. It will be convenient to dispose of the Writ Petitions Nos. 4154 to 4156 of 1991, relating to the assessment orders, dated March 25, 1991, in

respect of the assessment years 1986-87 to 1988-89. We have already noticed and referred to the circumstances under which the assessment

orders came to be passed. We have also extracted the orders passed on various dates, commencing from the admission of the writ petitions on

March 21, 1991. The averments of the petitioner in W.M.P. Nos. 7621 to 7626 of 1991, relating to the hearing on March 25, 1991, have not

been controverted by the respondents. According to the petitioner, their auditors reminded the respondent about the stay petitions coming up for

orders on March 27, 1991, before this court. In spite of the said representation, the assessment orders had been passed, as if the auditors were

present and heard before passing the assessment orders. We are not certainly satisfied about the manner in which the assessment orders came to

be passed. The principles of natural justice should be followed and substantially complied with. We have no hesitation in holding that on March 25,

1991, the petitioner was not prepared to go on with the hearing and we are satisfied that they had only asked for an adjournment of the case on

March 25, 1991. In any event, inasmuch as the question of assessment for the years 1982-83 to 1985-86 is being separately considered by us,

we are of the opinion that the assessment orders for 1986-87 to 1988-89 could also be considered along with the other assessment years. In this

view of the matter, we are of the view that the orders of assessment, dated March 25, 1991, are liable to be set aside, in the event the petitioner

fails in the other writ petitions, and all the questions are left open to be urged before the assessing authorities for consideration.

10. We will now take up the objection of the petitioner with regard to the continuance of the assessment proceedings for all the assessment years

1982-83 to 1988-89. We have already noticed that the petitioners have approached this court, at the stage when a notice was issued u/s 16(2) or

16(4) of the Wealth-tax Act. We are of the opinion that a very strong case has to be made out to prevent a statutory authority from proceeding with his duties and obligations under the relevant provisions of the Wealth-tax Act and to forbear the respondent from proceeding with the assessment proceedings. Merely on the basis of certain earlier decisions and certain advanced conclusions of the petitioner in respect of the nature of the Thanthi Trust, such a prayer cannot be sustained. In our firm opinion, the decisions rendered were under the Income Tax Act and there is nothing wrong in the Wealth-tax Officer having a second look into the nature of the trust, especially with reference to the current provisions of the Act. The mere examination of the account books and the manner in which the funds have been applied to charitable purposes would not in our opinion, cause any prejudice to the petitioners. If the petitioners are able to satisfy the respondents, we have no doubt in our mind that the explanation given by the petitioners will have to be considered for adjudicating the question as to whether the petitioner trust is liable for wealth-tax assessment. Even if any wrong assessment is made, it is always open to the petitioners to file statutory appeals and revisions to the higher authorities. The apex court has, in more than one case, deprecated the exercise of the power of judicial review of the High Courts in preventing the assessment proceedings being proceeded with, on some ground or other. With this background, we can now examine the arguments of learned senior counsel for the petitioners. We will only refer to the arguments and will not give our conclusions or opinions, because it might prejudice the authorities in passing final orders. According to the petitioners, it has been held for the purpose of Income Tax under the Income Tax Act that the trust had been validly and genuinely created and any deviation by the founder of the trust or the trustees from the declared purposes would amount only to a breach of trust and would not detract from the declaration of the trust by the subsequent conduct of the founder in dealing with the funds of the trust. Therefore, the contention is that the subsequent Income Tax Officers considering the validity of the trust cannot make a roving enquiry into the application of the funds of the trust. This judgment is reported in Thanthi Trust Vs. Income Tax Officer, . So far as the utilisation of the funds credited to the educational institutions in the books of account, there is a reference to the facts that the college authorities had subsequently

withdrawn and utilised the amounts and that there was no time limit prescribed in the Wealth-tax Act for such application. The above reasoning itself substantiates the view that there is need for examining the books of account every year to find out whether the funds have been properly utilised and applied for the purposes of the trust. Reliance is also placed on the decision in *Thanthi Trust Vs. Assistant Commissioner of Income Tax*, wherein it was laid down by a Division Bench of this court that section 13(1)(bb) of the Income Tax Act, 1961, was not attracted and that the trust was entitled for exemption under the Income Tax Act. It was further held that u/s 11(4) of the Income Tax Act, 1961, for the purposes of section 11 of the Income Tax Act, 1961 "property held under the trust" included a business undertaking. The Division Bench relied on the earlier judgment of the Madras High Court in *Commissioner of Income Tax Vs. Thanthi Trust*, for the purpose of holding that the primary purpose of the trust was to carry out charitable objects and that the business was carried on as a means. Therefore, the Division Bench of this court held that the words "unless the business is carried on in the course of the actual carrying out of a primary purpose of the trust or institution", in section 13(1)(bb) of the Income Tax Act, 1961, were satisfied, and that the petitioner-trust could claim the exemption u/s 11(1) of the Act. It is true that section 5 of the Wealth-tax Act says that wealth-tax shall not be payable by an assessee in respect of the assets held by him under trust or other legal obligation for any public purpose of a charitable or religious nature in India. There is a proviso which says that section 5 of the Wealth-tax Act will not apply to any property forming part of any business, not being a business referred to in clause (a) or clause (b) of sub-section (4A) of section 11 of the Income Tax Act, 1961, in respect of which separate books of accounts are maintained or a business carried on by an institution, fund or trust. It is precisely because of the wording of section 5 of the Wealth-tax Act, learned senior counsel appearing for the petitioner would argue that the earlier decisions under the Income Tax Act are squarely attracted and that the Wealth-tax Officers are bound to follow the said provisions. We have already noticed the fact that the application of the funds to the charitable purposes has got to be examined every year and the entire issue would also require consideration every year because of the change in the fiscal laws introduced from time to time. We therefore do not accept the

argument of the petitioner that the wealth-tax authorities cannot once again go into the assessability of the petitioner's wealth, though said to be held under a trust.

11. The second line of argument is based entirely on the judgment of the Division Bench of this court in *Thanthi Trust Vs. Wealth-tax Officer*, , which no doubt refers to the wealth-tax assessment for the years 1974-75 and 1975-76. The said writ petitions were also filed against the notices proposing to conduct an enquiry. By an order dated March 13, 1987, a learned single judge of this court dismissed the writ petition on the ground that the petitioner could urge all the points before the assessing authorities and the appellate authorities. Aggrieved by the said order, Writ Appeals (Nos.) 652 and 653 of 1987 were preferred before the Division Bench of this court and the judgment of the Division Bench is reported in *Thanthi Trust Vs. Wealth-tax Officer*, .

12. The facts of the said case are slightly different and it will be convenient to notice the same. It is also interesting to note that the Division Bench of this court has observed as follows in the said judgment (page 6) :
Each assessment year is a separate and self-contained one. Therefore, the question of estoppel or res judicata will not arise. Merely because for the assessment years 1977-78, 1978-79 and 1980-81 one view was taken, it does not estop the respondent from taking proceedings for the assessment years in question, namely, 1974-75 and 1975-76.

13. Proceeding further, it is seen that for the assessment years 1974-75, action was taken u/s 17 of the Wealth-tax Act on March 17, 1983.

Section 17 of the Wealth-tax Act relates to the reopening of an assessment in respect of the escaped wealth. The points which were posed for consideration were as follows (page 13 of 178 ITR) :

- (i) Whether there is scope for invoking section 17(1) of the Wealth-tax Act, in this case for the assessment years in question ?
- (ii) Whether there is scope for invoking section 21A of the Wealth-tax Act in this case ? and
- (iii) Whether the notice issued is valid ?

14. The Division Bench came to the following conclusions (page 19) :

From this it is clear that two conditions require to be satisfied.

They are that :

(i) the officer must have reason to believe that net wealth has escaped assessment; and

(ii) such escapement is due to the non-filing of the return or omission or failure to disclose all material facts in the return.

15. It was further held that if section 21A of the Wealth-tax Act was not shown to be applicable to the trust, there was no question of any escaped

assessment and the Division Bench was unable to see how section 17(1) of the Wealth-tax Act could be invoked. In our considered opinion, the

ratio of the said judgment cannot be invoked in the present case, as the facts of that case are totally different. No doubt, there are certain

observations relating to sections 14(1) and 14(2) of the Wealth-tax Act. We are of the opinion that those observations are only obiter dicta and

therefore they cannot be taken as the ratio of the decision. The observations relied on are as follows (page 24 of 178 ITR) :

Section 14(1) of the Act categorically lays down that only if the net wealth is assessable, there is an obligation on the part of the assessee to file a

return ... Secondly, the argument tends to ignore the power of the Wealth-tax Officer u/s 14(2). Where, therefore, the assessee takes up a positive

stand that no return need be filed, merely because of section 21A, the assessee is not obliged to file a return. Only when there is an obligation to

file a return and if in spite of that no return is filed, section 14(2) could be invoked. In response to that, if no return is filed, section 16 is there for

the Wealth-tax Officer to invoke . . . " :

16. Relying on the above passages in the judgment of the Division Bench, learned senior counsel for the petitioners proceeded to make

considerable argument on the plea that before issuing a notice u/s 14(2) of the Wealth-tax Act, the authority has to form an opinion that "a person

is assessable under this Act". Learned counsel agrees that the opinion is based on the subjective satisfaction of the authority. But he contends that

all the same it must be reflected in the notice or at least in the counter affidavit filed before the court. He would buttress his argument by pointing

out that the counter affidavit only refers to section 21A, which plea had been rejected in *Thanthi Trust Vs. Wealth-tax Officer*, . Therefore, he

continues to urge that there is nothing to be enquired into u/s 16(2) or 16(4) of

the Act. He would go to the extent of saying that a return is called for u/s 14(1) only when the net wealth of the person is assessable under the Act. We will first deal with the last plea u/s 14(1) of the Act. Where a person holds net wealth assessable under the Act, but claims exemption under any of the provisions of the Act, he is bound to file a return. The words ""assessable under the Act"" could only refer to the quantum and value of the wealth. For instance, a person having very little property can assume for himself that he need not file a return. Even in such a case, the law gives the authority the power to invoke section 14(2). But where a person has vast properties as in the case of the petitioners, he is bound to file a return and it is always open to him to claim exemption under one or other of the provisions of law. We reject the argument that the petitioner in this case is not required to file a return.

17. Coming to section 14(2) of the Act, we have only to observe that the opinion of the officer has to be honest and genuine. It should not be capricious or according to his whims and fancies. Beyond this, there is no restriction on the officer to issue a notice u/s 14(2). When the officer has a bona fide doubt about the nature of the properties or the correctness of the claim for exemption, he is free to issue a notice u/s 14(2). Similarly, where facts have to be ascertained regarding the application of the funds of a trust or the diversion of the funds to purposes other than charitable or religious, it is always open to issue a notice u/s 14(2). Consequently, it is open to the authority to call the assessee for an enquiry u/s 16(2) of the Act and demand the production of the records, accounts and documents u/s 16(4). These are the safeguards which appear in all taxing laws. We are certainly not able to appreciate the contention that even at the stage of section 14(2) the authority has to examine the whole case on the basis of earlier decisions, the change in the law and the correctness of the claim for exemption. We, therefore, uphold the notices issued u/s 14(2), 16(2) and 16(4) of the Wealth-tax Act. We have only to mention as a matter of fact that the petitioner did not question the notices u/s 14(2), but filed nil"" returns. It is only at the stage of the notices u/s 16(2) or 16(4) of the Act that the present writ petitions have been filed. Therefore, even the obiter dicta in *Thanthi Trust Vs. Wealth-tax Officer*, , relating to sections 14(1) and 14(2) cannot be relied on by the petitioners.

18. To recapitulate the facts of the present case, notices were issued u/s 14(2) of the Wealth-tax Act, requiring the petitioner-trust to file the returns. Whenever they filed nil returns, claiming exemption u/s 5 of the Wealth-tax Act, the respondents had issued notices u/s 16(2) of the Wealth-tax Act. Section 16(4) was invoked when no return was filed. Sections 16(2) and 16(4) of the Wealth-tax Act, as they stood at the relevant point of time, were as follows :

16. (2) If the Wealth-tax Officer is not so satisfied, he shall serve a notice on the assessee either to attend in person at his office on a date to be specified in the notice or to produce or cause to be produced on that date any evidence on which the assessee may rely in support of his return.

16. (4) For the purpose of making an assessment under this Act, the Wealth-tax Officer may serve, on any person who has made a return under sub-section (1) of section 14 or upon whom a notice has been served under sub-section (2) of that section, or who has made a return u/s 15, a notice requiring him to produce or cause to be produced on a date specified in the notice such accounts, records or other documents as the Wealth-tax Officer may require.

19. Therefore what we are concerned with in the present case is whether the respondents were justified in issuing notices under sections 16(2) and 16(4) of the Wealth-tax Act. We are fully satisfied for the reasons stated above that the respondents were justified in issuing the notices and it is for the petitioners to go before the appropriate authorities and put forth all their objections, including the earlier decisions of this court as well as the Supreme Court. It may also, be useful to refer to section 21A of the Wealth-tax Act as it stood in the year 1982 :

21A. Assessment in cases of diversion of property, or of income from property held under trust for public charitable or religious purposes. -

Notwithstanding anything contained in clause (i) of sub-section (1) of section 5, where any property is held under trust for any public purpose of a charitable or religious nature in India . . .

20. The said section provides for the assessment of cases where diversion of property is found out. Section 21A of the Wealth-tax Act underwent certain changes with effect from April 1, 1985. It is for this reason that we had earlier observed that the authorities are expected to apply the

current provisions of law as in force at the relevant point of time to find out whether the properties held by the petitioner under trust are fully

exempted or only partially exempted. We do not want to go into the merits of the case and therefore we stop with holding that a case is made out

for examination of all the books of account and for the conduct of an enquiry.

21. In this view of the matter we do not think that at the stage of notices u/s 16(2) or 16(4) of the Wealth-tax Act, we can interfere and forbear the

respondents from proceeding with the assessment proceedings. All the issues are left open for consideration by the assessing authorities and the

petitioner will also be at liberty to place all their objections before the assessing authorities. The assessing authorities shall give a fresh opportunity

to the petitioners so as to enable them to put forth all their objections at the appropriate hearing, consider the same and pass orders on merits and

in accordance with law. Subject to this, Writ Petitions Nos. 1576 and 1577 of 1987, 1509 of 1989 and 16230 of 1989 are dismissed.

22. For the reasons stated in paras. 4 to 6 (pages 626-628) Writ Petitions Nos. 4154 to 4156 of 1991 are allowed. The assessment orders dated

March 25, 1991, for the assessment years 1986-87, 1987-88 and 1988-89 are quashed. The cases are remitted to the Wealth-tax Officer to

consider them along with the notices issued for the assessment years 1982-83 to 1985-86 in accordance with law and in the light of the

observations made in this judgment.

23. There will be no order as to costs.