Punjab State Agricultural Marketing Board v. Commissioner of Income Tax-I and another

CWP 17998, 17810 and 2753/2005

No neutral citation stated in source | 2007-07-23

Impugned notices quashed; assessment directed treating Punjab Mandi Board as local authority for the historical period.

10(20) | 147 | 148

High Court of Punjab and Haryana | Division Bench | M.M. Kumar | Ajay Kumar Mittal

Assessment years: 2001-02 (reopening narrative); 2002-03 (return narrative conflict)

01 FACTS OF THE CASE

Three writ petitions challenged notices denying the Board local-authority treatment. The lead case sought to quash the 26 April 2004 section 148 notice and 18 October 2005 notice. Revenue disputed status and development expenditure; the Board relied on its historical section 10(20) treatment and a CBDT circular. The source inconsistently labels the lead reopening year 2001-02 and the return year 2002-03.

Source: PDF p.1

02 DISCUSSION BY THE HON'BLE COURT

The Court adopted its same-day decision in ITA 513/2005 concerning 1997-98. That decision upheld local-authority treatment before the amendment effective 1 April 2003, relying on consistent assessment treatment, Radhasoami Satsang and the Haryana Board decision. The present writ order applied that reasoning to the petitioner's status.

Source: PDF p.2

03 JUDICIAL DECISION

The impugned notices in the three petitions were quashed. The Assessing Officer was directed to proceed with assessment treating the Board as a local authority.

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04 OUTCOME / IN WHOSE FAVOUR

The Board succeeded on the challenged notices and historical status. Assessment was still to be framed on the directed basis; the Court did not order payment of the claimed Rs.19,25,555 refund or independently allow every development expense.

Source: PDF p.1

05 EXPERT COMMENTS

AKHB EXPERT COMMENTS — editorial analysis, distinct from the Court's findings.

Quashing notices did not end all assessment work — The final paragraph expressly directs the Assessing Officer to frame assessment on the local-authority basis. The useful consequence is a binding status premise for that exercise, not an unconditional refund or blanket termination of tax proceedings. Any computation must follow the precise direction and the applicable historical exemption.

Consistency operated within a stated statutory period — The adopted reasoning concerns the law before the amendment effective 1 April 2003 and the Board's accepted treatment in surrounding years. It does not extend the same status automatically beyond that change or to every statutory board. A comparison must match both the entity's relevant facts and the statutory period.

Keep the common writ order separate from the quoted appeal — All three CWP numbers are disposed of here; ITA 513/2005 supplies adopted reasoning for 1997-98. The lead writ's 2001-02/2002-03 discrepancy should not be resolved by substituting that companion year. Nor does the mention of road and mandi expenditure constitute a separate merits ruling on each expense.

Source: PDF p.1

SOURCE & VERIFICATION

20070723_PHHC010508032005.pdf

Complete source PDF reviewed: 5 physical pages.

All 5 original pages read and visually inspected; all five panels audited.

Open cited source rendition

All five pages read and visually inspected. Page 1 identifies reopening for 2001-02 but describes a return filed 23 July 2001 for 2002-03; the conflict is retained. The quoted companion ITA 513/2005 concerns 1997-98, not a fourth writ petition.

STATUTORY SCOPE

Pre-1 April 2003 section 10(20) reasoning; common order covers all three writ petitions.

LATER TREATMENT

Source checked 2026-10-21. Subsequent treatment has not been independently verified.

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

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