A. N. Lakshmana Shenoy v. Income-tax Officer, Ernakulam and Another (and connected appeals)

Civil Appeals Nos. 143–145 of 1954, 27–30 and 161–164 of 1956

[1959] 1 SCR 751 | 1958-04-28

Historical interpretation: Finance Act, 1950: section 13(1)

Finance Act, 1950: section 13(1) | Cochin Income-tax Act, 1117: section 44 | Travancore Income-tax Act, 1121: section 47 | Mysore Income-tax Act, 1923: section 34 | Constitution: Articles 278, 295

5-judge bench | S. R. Das C.J. | T. L. Venkatarama Aiyar | S. K. Das | A. K. Sarkar | Vivian Bose

Historical statutory scope and source qualifications

One common judgment covers eleven appeals, not eleven unique judgments. Preceding Dalmia and following Guruswamy report fragments are not part of this target judgment. Historical legislation; current treatment has not been independently cleared.

01 FACTS OF THE CASE

Eleven appeals challenged reassessment jurisdiction after the integration of Travancore-Cochin and Mysore. In the Shenoy matters, a later assessment disclosed systematic defects extending to earlier years; the taxpayer disputed both the reopening information and survival of the former State laws.

Source: Primary report: SCR 755–766

02 DISCUSSION BY THE HON'BLE COURT

Definite information must exceed guess or rumour and causally support an honest belief of escaped income; certainty of the eventual liability is unnecessary at notice stage. The later appellate order did not erase all defects. The Finance Act saving of levy, assessment and collection comprehended reassessment. The financial-integration recommendations also preserved proceedings arising out of the earlier laws.

Source: Primary report: SCR 766–777

03 JUDICIAL DECISION

Reassessment powers survived under the saved State laws, and the Shenoy notices rested on sufficient information. The Court did not finally determine the constitutional binding force of the financial recommendations because their proper construction supported the proceedings in any event.

Source: Primary report: SCR 777–784

04 OUTCOME / IN WHOSE FAVOUR

The taxpayer's Travancore-Cochin appeals were dismissed with costs; Revenue's eight Mysore appeals were allowed and the High Court decisions set aside, with costs in both courts.

Source: Primary report: SCR 785

©AKHB & Associates | AKHB commentary/design only; no claim over reproduced statutes or judgments.

05 AKHB REVIEW POINT

Separate the threshold information needed to issue notice from proof of taxable escaped income. For transitional regimes, read the whole saving clause and financial agreement rather than treating completed assessments as immune from expressly saved reassessment.
Source: Primary report: SCR 769–770, 779–782

SOURCE & VERIFICATION

Supreme Court Reports primary scan — public eSCR mirror

Complete 35-page Supreme Court Reports scan. Any adjoining report fragments remain in the unchanged original and are excluded from this analysis.

Open cited source rendition

STATUTORY SCOPE

Historical legislation expressly identified in this note. This is not a decision under the Income-tax Act, 1961 or the Income-tax Act, 2025. Verify enacted wording, commencement, transition and subsequent judicial treatment independently before modern reliance.

LATER TREATMENT

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

AI DISCLOSURE

This AKHB research note uses AI assistance and a preserved full-primary review, with refreshed exact original-byte verification. Independent human review is not represented.

PROFESSIONAL DISCLAIMER

General legal and tax research only; not legal or tax advice. Verify the complete judgment, applicable statutory version and subsequent treatment before reliance. AKHB REVIEW POINT is editorial analysis, not the Court’s holding.

©AKHB & Associates | AKHB commentary/design only; no claim over reproduced statutes or judgments.