Maharajadhiraj Sir Kameshwar Singh v. State of Bihar

Civil Appeal No. 254 of 1954

[1960] 1 SCR 332 | 1959-05-15

Historical interpretation: Bihar Agricultural Income-tax Act, 1938, sections 25(1), 26

Bihar Agricultural Income-tax Act, 1938, sections 25(1), 26

3-judge bench | S. R. Das | N. H. Bhagwati | M. Hidayatullah

Historical statutory scope and source qualifications

Historical statutory provisions; subsequent treatment and current-law applicability have not been verified.

State agricultural-income-tax scope

This note concerns the identified State agricultural-income-tax legislation and its constitutional or statutory setting. It does not establish a central Income-tax Act computation or reopening rule.

01 FACTS OF THE CASE

Agricultural receipts from two Tekari Raj zarpeshgi leases were returned but initially exempted as capital recovery. Officer reopened under section 26 and assessed tax on Rs 2,52,879; assessee disputed reopening and claimed repayment of money-lending capital.

Source: Primary report: SCR 334–337

02 DISCUSSION BY THE HON'BLE COURT

Section 26 used “for any reason” and did not impose the fresh-information conditions of section 34 of the central 1922 Act. Returned but erroneously exempted income could escape assessment. Lease instruments as a whole disclosed premium for 28-year possession, not a loan: no interest, redemption, repayment or residual personal liability.

Source: Primary report: SCR 337–347

03 JUDICIAL DECISION

Officer could reopen his erroneous exemption under this particular Bihar provision; lease usufruct remained agricultural income in assessee’s hands.

Source: Primary report: SCR 346–348

04 OUTCOME / IN WHOSE FAVOUR

Assessee appeal dismissed with costs; both High Court answers in State’s favour sustained.

Source: Primary report: SCR 348

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05 AKHB REVIEW POINT

Scope: historical agricultural income-tax. Do not transplant the broad Bihar section 26 “any reason” rule to differently conditioned income-tax reopening legislation; court expressly distinguished those conditions.

Source: Primary report: SCR 341–342, 346–348

SOURCE & VERIFICATION

Supreme Court Reports primary scan — public eSCR mirror

Complete 17-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.

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