

Rajputana Mining Agencies Ltd. v. Union of India and Another

Civil Appeal No. 26 of 1956 — Single special-leave appeal; the reference to fourteen other High Court petitioners does not expand the target Supreme Court docket.

[1961] 1 SCR 453 | 1960-08-31

The retrospective withdrawal of the Part B State exemption for assessment year 1950-51 reached income of previous year 1949-50; territorial application of the 1922 Act did not freeze its text by incorporation.

Indian Income-tax Act, 1922, section 14(2)(c), as retrospectively amended by the Indian Income-tax(Amendment)Act, 1953 | 1922 Act: 14(2)(c)

5 Judges | S. K. Das | M. Hidayatullah | K. C. Das Gupta | J. C. Shah | N. Rajagopala Ayyangar

01 FACTS OF THE CASE

The company could not retain the former Part B State exemption for 1950-51. Incorporated in the former Kotah State in 1945 according to the judgment, it challenged taxation of 1949-50 profits after Rajasthan became a taxable territory on 1 April 1950. The 1953 amendment substituted Jammu and Kashmir for Part B State in section 14(2)(c), retrospectively from 1 April 1950. The company argued that earlier-earned income remained exempt and that the Finance Act 1950 also required amendment.

Source: [SCR 454-455; target passages only,shared-page exclusions in read bounds.](#)

02 DISCUSSION BY THE HON'BLE COURT

Hidayatullah J explained that the exemption concerned liability in the assessment year. Its withdrawal for 1950-51 consequently affected income of the corresponding previous year. The Finance Act 1950 had applied the Income-tax Act territorially, including amendment of taxable-territory provisions; it had not incorporated an unalterable version into itself. Parliament could therefore amend the applied Act retrospectively for Rajasthan as elsewhere. The express retrospective fiction removed the exemption for the relevant assessment year, with no saving sustaining the company's claim.

Source: [SCR 455-457; target passages only,shared-page exclusions in read bounds.](#)

03 JUDICIAL DECISION

Both arguments failed. The Court reaffirmed the legal position described in Madan Gopal Kabra and rejected the asserted continuing exemption.

Source: [SCR 456-457; target passages only,shared-page exclusions in read bounds.](#)

04 OUTCOME / IN WHOSE FAVOUR

Company's appeal dismissed. The challenge to taxation of the 1949-50 income for 1950-51 failed. Costs awarded against the company.

Source: [SCR 457-457; target passages only,shared-page exclusions in read bounds.](#)

05 AKHB REVIEW POINT

Identify whether legislation applies another Act or incorporates its text, then read the precise effective date and saving provisions. This historical ruling supplies a method of statutory analysis; it does not validate every retrospective tax amendment.

Source: [SCR 456-457; target passages only, shared-page exclusions in read_bounds.](#)

ORIGINATING PROCEEDINGS

1.

Case numbers: Writ Petition No. 76 of 1951

Relationship: Rajasthan High Court judgment 22 April 1954.

SOURCE & VERIFICATION

Original reported Supreme Court judgment

5-page retained public-mirror SCR report. The complete report was read as text and page images. The acquisition URL is preserved provenance; current endpoint availability and authentication as a signed original are not newly verified. All 5 physical text and image pages personally read; SCR453-457. Target boundaries: physical PDF pages 1-5; SCR 453-457. Start: case caption at top of first page. End: final disposition at end of source. Headnote physical p. 1 states incorporation in 1954; judicial body p. 2 states 1945. The note follows the body and preserves the discrepancy. No neighboring-case contamination in this five-page source.

Open cited source rendition

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STATUTORY SCOPE

Indian Income-tax Act, 1922, section 14(2)(c), as retrospectively amended by the Indian Income-tax(Amendment)Act, 1953; 14(2)(c), Indian Finance Act,1950, Indian Income-tax(Amendment)Act,1953(25 of 1953), Constitution of India, Article 226

No direct section mapping adopted. The issue is the 1953 retrospective withdrawal of a specific 1922 Act territorial exemption; a later Act's general charging structure would not reproduce that issue.

No direct counterpart verified; the 1953 territorial exemption issue is not mapped to a modern deduction.

Historical operative law remains separate from the specified later text. Tax-year applicability,unexamined statutory conditions,complete transition provisions and comprehensive later judicial history have not been verified.

Other provisions addressed: Indian Finance Act,1950; Indian Income-tax(Amendment)Act,1953(25 of 1953); Constitution of India, Article 226

LATER TREATMENT

Source checked 2026-10-08. No specific subsequent judicial treatment independently verified for this note.

Madan Gopal Kabra is the antecedent authority considered by the Court, not later treatment of this judgment.

Antecedent authorities are not subsequent treatment.

AI DISCLOSURE

AI-assisted research. The AKHB Review Point is editorial analysis, not part of the Court's judgment.

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