

Sri Sudhansu Shekhar Singh Deo v. The State of Orissa and Another

Civil Appeals Nos. 307 to 309 of 1958

[1961] 1 SCR 779 | 1960-09-21

Agricultural income tax of a former Ruler: merger guarantees did not exempt private-property income, and the treaty-based immunity claim was not justiciable.

Orissa Agricultural Income-tax Act, 1947: sections 2(i), 3 and 14(1) | Constitution of India: Articles 132, 226, 291, 362 and 363 | Government of India Act, 1935: sections 290A and 290B | Extra-Provincial Jurisdiction Act, 1947

5-judge bench; unanimous judgment delivered by J. C. Shah, J. | S. K. Das, J. | M. Hidayatullah, J. | K. C. Das Gupta, J. | J. C. Shah, J. | N. Rajagopala Ayyangar, J.

Assessment years: 1950-51, 1951-52, 1952-53

Historical statutory setting

Historical Orissa agricultural-income-tax legislation and the former-Ruler/merger-agreement constitutional setting; no present exemption, constitutional or current-law treatment is certified.

Source and scope caution

The catalogue lists only Civil Appeal No. 307 of 1958; the signed report covers Civil Appeals Nos. 307 to 309 of 1958.

Additional scope caution

The SCR appellate-history line lists O.J.C. Nos. 16, 19, 137 and 61 of 1954, while the factual narrative identifies assessment petitions Nos. 17, 16, 19 and 137 and penalty petitions Nos. 18 and 138. This internal report discrepancy is not silently corrected.

Additional scope caution

The three Supreme Court appeals concerned assessment years 1950-51 to 1952-53. The 1949-50 assessment and penalty cancellations were not reversed in this disposition.

Additional scope caution

The village-transfer and inventory objections were rejected as not preserved; the Court did not decide their tax merits.

No current-law clearance

Later judicial treatment and current statutory applicability have not been comprehensively checked; no current-law or citator clearance is represented.

01 FACTS OF THE CASE

After the former State of Sonepur merged with India, its former Ruler was assessed on agricultural income from privately held land. He claimed that his pre-merger immunity and the merger agreement protected both his personal privileges and private property from tax, and that deletion of the express reference to a Ruler from the statutory definition of 'person' excluded him. The High Court cancelled the 1949-50 assessment and two penalty orders but sustained assessments for 1950-51 to 1952-53, which became the subject of these three appeals (SCR pp. 779-783; PDF pp. 1-5).

Source: [Primary judgment: facts](#)

02 DISCUSSION BY THE HON'BLE COURT

The merger provisions guaranteed personal rights, privileges and dignities of the ex-Ruler, not tax immunity for his private property. The 1950 deletion of the obsolete express reference to a Ruler did not remove former Rulers from the ordinary inclusive term 'person', and the Act contained no exemption for the appellant. Article 362 did not create an enforceable obligation at the ex-Ruler's instance, while Article 363 barred judicial enforcement of the covenant. Separate objections about two transferred villages and the asserted eighteen-village inventory were rejected without decision because they had not been raised in the High Court (SCR pp. 783-787; PDF pp. 5-9).

Source: [Primary judgment: discussion](#)

03 JUDICIAL DECISION

Civil Appeals Nos. 307, 308 and 309 of 1958 were dismissed with costs and one hearing fee. The Court sustained the appellant's liability to agricultural income tax for the three appealed years; it did not decide the two belated village-specific objections (SCR p. 787; PDF p. 9).

Source: [Primary judgment: decision](#)

04 OUTCOME / IN WHOSE FAVOUR

In favour of Revenue and the State of Orissa on the former Ruler's claimed tax immunity. The decision concerns liability under the historical State Act, not the correctness of every item or the unappealed 1949-50 assessment and penalty cancellations (SCR pp. 782-787; PDF pp. 4-9).

Source: [Primary judgment: outcome](#)

05 AKHB REVIEW POINT

AKHB analysis: identify whether a covenant protects the person, status or the income-producing property, and then locate an express statutory exemption. A historical status reference disappearing from a definition does not itself create an exemption when the general charging language still applies. Preserve objections to the tax base and ownership in the first judicial challenge; the Court declined to examine new village-specific contentions on appeal.

Source: [Primary judgment: review point](#)

SOURCE & VERIFICATION

[Supreme Court Reports scan - public eSCR mirror](#)

Exact 9-page catalogue PDF (SHA-256 1af9a900d05b5f0fda720146e24aeb3298ccca65eb39090cbd44659c681ff6f0) read in full through page-preserving text and rendered page images. The complete report spans SCR 779-787 with no adjacent report. Signed-report title, decision date, five-judge bench, opinion author and Civil Appeals Nos. 307-309 of 1958 were verified. No same-party, docket, citation, source-hash or standalone judgment match was found in the published collection or reviewed archives.

[Open cited source rendition](#)

Catalogue source 1961_1_779_787: SHA-256 1af9a900d05b5f0fda720146e24aeb3298ccca65eb39090cbd44659c681ff6f0, 9 pages, read and visually inspected in full.

The published original preserves the exact catalogue bytes and verified hash.

The source verifies identity, bench, provisions, opinion structure and operative order.

No exact source-hash, asset-ID, SCR-citation, docket or same-judgment publication match was found.

STATUTORY SCOPE

Historical Orissa agricultural-income-tax legislation and the former-Ruler/merger-agreement constitutional setting; no present exemption, constitutional or current-law treatment is certified.

LATER TREATMENT

Source checked 2026-10-11. Later judicial treatment and current statutory applicability have not been comprehensively checked; no current-law or citator clearance is represented.

AI DISCLOSURE

This AKHB research note was prepared with AI assistance from the identified primary report and has not been represented as independently human-reviewed.

PROFESSIONAL DISCLAIMER

General legal and tax research only; not legal or tax advice. Verify the original judgment, the governing historical statute and subsequent judicial treatment before reliance. The AKHB REVIEW POINT is editorial analysis, not the Court's holding, and no current-law clearance is claimed.