

Collector of Sultanpur and Another v. Raja Jagdish Prasad Sahi

Civil Appeal No. 1014 of 1963

[1965] 2 SCR 29 | 1964-11-05

Mandatory adjustment of agricultural income-tax against zamindari compensation and factual remand

U.P. Agricultural Income-tax Act, 1949: sections 3 and 31 | U.P. Zamindari Abolition and Land Reforms Act, 1951: section 6(d) | U.P. Zamindari Abolition and Land Reforms Rules: rule 8-A

Three-judge bench; judgment delivered by J. C. Shah, J. | K. Subba Rao, J. | J. C. Shah, J. | S. M. Sikri, J.

Assessment years: Fasli year 1359 (1 July 1951 to 30 June 1952)

Remand and historical regime

The Court settled the legal interpretation but remanded because the record did not show whether compensation bonds remained available. No present-law entitlement is asserted.

01 FACTS OF THE CASE

Agricultural income-tax assessed for the period ending 30 June 1952 was pursued by coercive recovery. The respondent sought adjustment against compensation bonds for the vested zamindari; the High Court directed adjustment, but the record did not establish whether bonds remained to be delivered (SCR pp.29-32; PDF pp.1-4).

Source: [Primary judgment: facts and issue](#)

02 DISCUSSION BY THE HON'BLE COURT

Rule 8-A imposed a mandatory duty to adjust qualifying agricultural income-tax against compensation; its "without prejudice" opening preserved other recovery rights rather than creating discretion. Because section 3 charged the previous year's income, the tax related to the pre-vesting period and fell within section 6(d) (SCR pp.32-34; PDF pp.4-6).

Source: [Primary judgment: adjustment reasoning](#)

03 JUDICIAL DECISION

The Court set aside the High Court's operative order and remanded for determination of whether compensation bonds remained and, if not, whether another appropriate direction could make the adjustment effective. No costs were ordered.

Source: [Primary judgment: remand order](#)

04 OUTCOME / IN WHOSE FAVOUR

Legal issue in favour of the respondent, with the ultimate relief left to a factual remand.

Source: [Primary judgment: qualified outcome](#)

05 AKHB REVIEW POINT

AKHB analysis: distinguish the mandatory adjustment rule from the factual availability of the fund or instrument against which adjustment can operate. The legal win did not eliminate the need to prove an effective source of satisfaction.

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

SOURCE & VERIFICATION

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

Complete seven-page SCR report read in page-preserving text and every page image inspected.

[Open cited source rendition](#)

Exact catalogue SHA-256 and seven-page count verified; all pages were read and visually inspected.

Identity, bench, statutory issue, reasoning and operative result were checked against the complete report.

STATUTORY SCOPE

Historical Uttar Pradesh agricultural income-tax and zamindari-compensation regime. The judgment's legal rule and remand do not establish any present adjustment entitlement.

LATER TREATMENT

Source checked 2026-10-12. No comprehensive current-law or later-treatment 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.

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