

Kapurchand Shrimal v. Tax Recovery Officer, Hyderabad & Others

Civil Appeals Nos. 1319 and 1320 of 1966; Writ Petition No. 103 of 1966

[1969] 1 SCR 691 | 1968-08-14

Historical tax recovery: whether the karta could be personally arrested for a Hindu undivided family's default.

Income-tax Act, 1961: sections 2(7), 160, 161, 179, 222, 276, 276A, 277 and 278; Second Schedule rules 2, 73 and 76

3-judge bench; unanimous judgment delivered by J. C. Shah, J. | J. C. Shah, J. | V. Ramaswami, J. | A. N. Grover, J.

Assessment years: 1955-56 to 1959-60

Historical statutory setting

The decision construes the Income-tax Act, 1961 as it stood in 1968 and historical Second Schedule recovery rules; amendments and current recovery powers were not checked.

Fact and procedural limits

Apply the holding only within the facts, statutory text and procedural posture described in the primary report.

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

A tax certificate was issued against an HUF for five years. The Tax Recovery Officer ordered its karta detained in civil prison. The High Court rejected his challenge and later invoked constructive res judicata; he appealed and also petitioned under Article 32 (SCR pp.691-694; PDF pp.1-4).

Source: [Primary judgment: facts](#)

02 DISCUSSION BY THE HON'BLE COURT

The HUF was the distinct assessed entity. A karta could represent it but was not thereby deemed the assessee for section 222 or the recovery rules. No provision made him personally liable, exposed his separate property or permitted arrest for the family's default. Penal provisions targeted individuals responsible for specified acts, not status alone (SCR pp.694-697; PDF pp.4-7).

Source: [Primary judgment: discussion](#)

03 JUDICIAL DECISION

The detention order was declared unauthorized and the appeals were allowed; costs were awarded in one appeal, with no costs in the other appeal or petition (SCR p.697; PDF p.7).

Source: [Primary judgment: decision](#)

04 OUTCOME / IN WHOSE FAVOUR

In favour of the karta: he could not be imprisoned merely because the HUF failed to pay its assessed tax (SCR pp.695-697; PDF pp.5-7).

Source: [Primary judgment: outcome](#)

05 AKHB REVIEW POINT

AKHB analysis: recovery must target the statutorily liable assessee or an expressly designated representative; managerial status alone does not create personal civil-detention liability. Verify current definitions, representative-assessment rules and recovery procedure before reliance (based on SCR pp.694-697; PDF pp.4-7).

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

SOURCE & VERIFICATION

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

Full 7-page SCR source asset read in page-preserving text and visually inspected; adjacent-report boundaries were checked.

[Open cited source rendition](#)

Exact source bytes, SHA-256 and seven-page count match catalogue asset 1969_1_691_697; every page was read and visually inspected.

The source verifies the stated case identity, bench, statutory issue and operative order.

No exact source-hash, asset-ID, SCR-citation, docket or same-judgment match was found in the published corpus or reviewed archive.

STATUTORY SCOPE

The decision construes the Income-tax Act, 1961 as it stood in 1968 and historical Second Schedule recovery rules; amendments and current recovery powers were not checked.

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.

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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.