

Champa Kumari Singhi and Others v. Member, Board of Revenue, West Bengal and Others

Civil Appeals Nos. 564 to 571 of 1968

[1970] 3 SCR 467 | 1970-02-02

Limitation for income-tax recovery where agreed instalments carried a clause accelerating the whole balance on default

Indian Income-tax Act, 1922: sections 29, 45, 46 and 47 | Bengal Public Demands Recovery Act, 1913

Six-judge bench; majority judgment delivered by M. Hidayatullah, C.J.; K. S. Hegde, J. dissented. | M. Hidayatullah, C.J. | J. C. Shah, J. | K. S. Hegde, J. | A. N. Grover, J. | A. N. Ray, J. | I. D. Dua, J.

Historical ruling; verify current law

The ruling turns on historical section 46(7), its clause (iv) and settlement terms; it contains a reasoned dissent and is not a current recovery-limitation certificate.

01 FACTS OF THE CASE

Following voluntary disclosure, a company and shareholders agreed to joint and several tax liability payable by instalments through 31 March 1957, with the whole balance accelerated on a missed instalment. Assessment orders incorporated the agreement and demands issued in September 1952. After default, recovery certificates were issued on 14 March 1956; the assessees said the one-year period had expired.

Source: [Primary judgment: facts and procedural setting](#)

02 DISCUSSION BY THE HON'BLE COURT

The majority treated the incorporated instalment arrangement as part of the assessment orders. Although default accelerated the whole balance, clause (iv) of the section 46(7) proviso measured the recovery period from the last instalment date whenever instalments were granted, allowing Revenue to accept late payments without losing the statutory option. Hegde, J. dissented: default and when tax was due had to follow sections 45 and 46 rather than the agreement, making the 1956 certificates late.

Source: [Primary judgment: reasoning](#)

03 JUDICIAL DECISION

The majority held the 1956 certificates within limitation under the instalment proviso; the dissent would have treated them as barred.

Source: [Primary judgment: holdings](#)

04 OUTCOME / IN WHOSE FAVOUR

Civil Appeals Nos. 564, 566, 568 and 570 dismissed with costs; the other four appeals dismissed as infructuous without separate costs.

Source: [Primary judgment: operative disposition](#)

05 AKHB REVIEW POINT

AKHB analysis: for historical recovery limitation, map the demand, statutory default, instalment order, acceleration clause, last due date and governing proviso separately. Preserve the 5-1 split; do not convert the majority's construction of this repealed text into a general rule for every settlement.

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

SOURCE & VERIFICATION

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

Complete 14-page SCR report read in page-preserving text and every page image inspected, from the reported opening page through the operative disposition.

[Open cited source rendition](#)

Exact catalogue SHA-256 and 14-page count verified; every page was read and visually inspected.

STATUTORY SCOPE

Historical statutory provisions are described as they appeared in the report. Verify the current enactment, amendments and later judicial treatment before reliance.

LATER TREATMENT

Source checked 2026-10-12. No comprehensive later-treatment or present-law clearance is represented. The note reports the historical statutory text and result in this primary report only.

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 complete judgment, governing statutory version 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.