

C.I.T. Bombay v. Onkarmal Meghraj (H.U.F.) & Ors.

Civil Appeal Nos. 2263-2274 of 1969 — Twelve Revenue appeals: eleven assessments for 1944-45 and a further Onkarmal Meghraj appeal for 1943-44; three allowed and nine dismissed.
[1974] 1 SCR 391 | 1973-08-16

The appellate-direction exception saved reassessments of three participating individuals, but did not rescue notices against the remaining respondents after limitation had expired.

Indian Income-tax Act, 1922, with the 1953 amendment | 1922 Act: 34(1)(a) | 1922 Act: 34(1)(b) | 1922 Act: 34(3), second proviso | 1961 Act: 148 and 297(2)(d)(ii) (antecedent J. P. Jani comparison)

2 Judges | H. R. Khanna | A. Alagiriswami

01 FACTS OF THE CASE

The Revenue succeeded in only three of twelve reassessment appeals. After an agreed period of assessment of three larger HUFs, the partners were to be assessed individually. The officer nevertheless assessed the larger family units and entered no assessment for individuals who had filed returns, some in the status of smaller HUFs. Appellate orders displaced the larger-HUF assessments. Notices followed in April 1954 and fresh assessments in January 1955. Eleven appeals concerned 1944-45; another concerned Onkarmal for 1943-44.

Source: [SCR 392-394; target report and identified opinion only.](#)

02 DISCUSSION BY THE HON'BLE COURT

Alagiriswami J agreed that section 34(1)(b), rather than the omission-or-failure limb in clause (a), governed. Escapement resulted from the officer's erroneous treatment, not non-disclosure. The second proviso to section 34(3) applied to Narayandas Pokarmal, Meghraj Pokarmal and Hanumandas Sewakram, who had personally pursued the earlier appeals. It did not cover the other respondents: nonexistent larger HUFs could not represent them merely through assumed family relationships. The 1953 amendment, retrospective only to 1 April 1952, did not generally revive proceedings already barred before that date. For the three participants, the old or amended proviso already supplied the relevant route. The separate 1959 validating provision was not argued and received no fresh ruling.

Source: [SCR 395-398; target report and identified opinion only.](#)

03 JUDICIAL DECISION

The three participating individuals' reassessments were sustained. Notices to the remaining respondents could not rely on the appellate-direction exception and were outside the ordinary four-year period applicable on these facts.

Source: [SCR 398-398; target report and identified opinion only.](#)

04 OUTCOME / IN WHOSE FAVOUR

Civil Appeals 2264, 2268 and 2272 of 1969 allowed; the other nine appeals dismissed. The High Court's result was reversed only for the three successful Revenue appeals and otherwise stood. Costs awarded on both branches: the three allowed appeals and the nine dismissed appeals.

Source: [SCR 398-398; target report and identified opinion only.](#)

05 AKHB REVIEW POINT

Analyse the actual party bound by a finding or direction and the limitation position at the relevant statutory date. Do not treat a family label as representation of persons outside the proceeding. Preserve the split result; the non-revival principle did not produce a complete Revenue defeat here.

Source: [SCR 395-398; target report and identified opinion only.](#)

ORIGINATING PROCEEDINGS

1.

Case numbers: Income Tax Reference No. 54 of 1958

Relationship: Bombay High Court judgment dated 29/30 January 1968.

SOURCE & VERIFICATION

Original reported Supreme Court judgment

8-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 8 physical text and image pages genuinely read. Entire PDF is the target report, including headnote and any separate opinion; cited/quoted cases are authorities, not additional primary targets. The rendered disposition reads 2268; the extracted text gives 2258. The image controls this transcription, within the printed 2263-2274 appeal range. Headnote prints Tribunal date 31 March 1953; body repeatedly prints 31 July 1953. SCR 396 also has an isolated Onkarmal name where the substantive three-person discussion identifies Meghraj. No silent factual harmonisation is made. The whole eight-page source is this judgment. The 1961 Act appears through the cited J. P. Jani precedent, not as the governing reassessment Act.

Open cited source rendition

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STATUTORY SCOPE

Indian Income-tax Act, 1922, with the 1953 amendment; 34(1)(a), 34(1)(b), 34(3), second proviso, 148 and 297(2)(d)(ii) (antecedent J. P. Jani comparison), Indian Income-tax (Amendment) Act, 1953, Income-tax (Amendment) Act, 1959, section 4 (question not argued before Supreme Court)

Retained 2011 section 150(1) permits action to give effect to a finding or direction, while subsection (2) preserves its stated pre-existing time bar. The relevant statutory date and scope of the direction require analysis; this reading does not certify present notice deadlines.

Section 283 retains a time-bar safeguard and adds a specified receipt-based notice period; the historical result does not supply today's deadline.

Historical operative law is distinct from the cited later versions. Complete repeal/savings, tax-year applicability, unexamined rules and comprehensive subsequent judicial treatment remain unverified.

Other provisions addressed: Indian Income-tax (Amendment) Act, 1953; Income-tax (Amendment) Act, 1959, section 4 (question not argued before Supreme Court)

LATER TREATMENT

Source checked 2026-10-08. No comprehensive subsequent judicial-history review was performed for this note; unchecked treatment must not be read as absence of later treatment.

Named authorities discussed within the judgment are antecedent authorities. The separately sourced legislative developments are statutory comparisons, not a later-judgment certification.

Primary holding and expressly identified bounded statutory readings only.

IDENTIFIED SOURCE LINKS

[Income-tax Act, 1961: identified 2011 compilation](#)

DOR-hosted Taxmann compilation as amended by Finance Act 2011 Retained 2011 section 150(1) permits action to give effect to a finding or direction, while subsection (2) preserves its stated pre-existing time bar. The relevant statutory date and scope of the direction require analysis; this reading does not certify present notice deadlines. Identified historical 2011 compilation. Not a current consolidated statute, full-Act, image or complete transaction-applicability review. Text pages read: 42, 723-724.

[Income-tax Act, 2025: bounded provisions](#)

Official compilation as amended by Finance Act 2026 Lines 15131-15162, physical pages 374-375, distinguishing amended text from historical footnote. Capture hashes identify exact returned text-output bytes, not the remote PDF. No full-Act, image, complete transition or comprehensive subsequent-history verification.

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