

Commissioner of Income-tax, West Bengal-III & Others v. Oriental Rubber Works and connected appeals

Civil Appeal No. 1652 of 1973 / Civil Appeal No. 759 of 1973 / Civil Appeal No. 760 of 1973 / Civil Appeal No. 661 of 1975

[1984] 1 SCR 817 | 1983-11-15

Whether Revenue must communicate both the Commissioner's approval and the recorded reasons for retaining seized books/documents beyond the historical 180-day period; and the separate effect on assessments already made in two appeals.

132(1) | 132(8) | 132(10) | 132(12)

3-judge bench; single opinion | V.D. Tulzapurkar, J. | V. Balakrishna Eradi, J. | D.P. Madon, J.

Assessment years: 1964-65

IMPORTANT: HISTORICAL RETENTION PERIOD; ASSESSMENT AND COMMUNICATION QUESTIONS MUST BE KEPT DISTINCT

Oriental Rubber requires expeditious communication of both approval and reasons under the section 132 scheme it construed. It does not itself require service before the 180-day period expires or hold that unlawful document retention automatically nullifies an assessment. Later Ruchi Soya explains the timing distinction in a sales-tax setting, and the retained 2011 statute records later changes to section 132's retention clock and machinery. Do not use the historic 180-day rule as a current deadline. Comprehensive later treatment, current-law applicability and Income-tax Act 2025 mapping remain NOT VERIFIED.

01 FACTS OF THE CASE

Four Revenue appeals were heard together: Civil Appeals 1652/1973, 759/1973, 760/1973 and 661/1975. The Court used Oriental Rubber's facts because the common communication question arose similarly in all. The lead appeal challenged the Calcutta High Court's 25 June 1973 order in Appeal 233/1970; CA 759-760 arose from its 2 June 1972 orders in Appeals from Original Orders 155 and 158/1970; CA 661 arose from its 15 March 1974 order in Appeal 96/1972. The judgment identifies C.K. Wadhwa's case as CA 760, but gives no equally clear party-name identification for CA 759 and CA 661 (physical pages 2-3,5/SCR 818 D-819 F,821 C).

On 17 February 1965 the Department searched Oriental Rubber's Kantalia factory and its Mahatma Gandhi Road, Calcutta offices and godown, and seized books and documents under an authorisation the judgment treated as lawful. The assessee was permitted inspection and copies. After section 142(1) notice and several hearings, its AY 1964-65 assessment was completed under section 143(3) on 5 February 1969 (pages 3-4/SCR 819 F-820 A).

On 27 February 1969 it sought Article 226 relief directing return of the records and cancellation of the authorisation, and restraint on assessment until the records were returned. It contended that retention beyond 180 days was unlawful because neither the Commissioner's approval nor the authorised officer's recorded reasons had been communicated. Revenue said approvals had been obtained from time to time, no statutory duty of communication existed, inspection had been given and assessment was already complete (page 4/SCR 820 A-H).

The Single Judge directed return and purported to preserve liberty to complete assessment after return and fresh statutory notices. The Division Bench affirmed despite Revenue's argument that the assessment already existed. Before the Supreme Court, Revenue repeated the communication argument and separately urged that improper retention could not invalidate the completed assessment. The assessee conceded that its 5 February 1969 assessment should stand subject to its statutory appeals. The Court accepted that concession-based resolution and then decided the common communication question (pages 5-6/SCR 821 A-822 E).

Source: [reported judgment / paragraphs Appellate recital and factual/procedural account, including concession / PDF pages 2, 3, 4, 5, 6 / Judicial text unless expressly identified as editorial/appellate recital](#)

02 DISCUSSION BY THE HON'BLE COURT

Tulzapurkar J. read section 132(8) with subsections(10) and(12). Under the quoted historical text, documents ordinarily could not be retained beyond 180 days from seizure unless the authorised officer recorded reasons in writing and obtained the Commissioner's approval. Its proviso limited approval beyond thirty days after all relevant proceedings were completed. Subsection(10) allowed the legally entitled person to object to the approval before the Board, and subsection(12) provided a hearing and an order on that application (pages 6-7/SCR 822 F-823 C).

The Court treated recorded reasons and approval as two cumulative requirements for extended retention. If either was absent, retention became unlawful and the person from whose custody documents were seized, or to whom they belonged, became entitled to their return. Although subsection(8) did not expressly direct communication, withholding both approval and reasons materially prejudiced the person's ability to enforce the right to return. Without communication the approval did not become effective (pages 7-8/SCR 823 D-824 A).

The objection mechanism supplied the further statutory reason. An effective application to the Board could not be made in ignorance of the Commissioner's approval and the reasons supporting it. Reading the three subsections together therefore imposed a duty to communicate both, as expeditiously as possible after approval. The duty applied to every successive approval; default in expeditious communication made further retention invalid and unlawful. Merely allowing inspection or possessing an undisclosed approval was not the answer to that duty (page 8/SCR 824 B-F).

The judgment does not decide that every defect in retention voids an assessment. It expressly accepted, in the lead appeal and on the assessee's concession, that the already completed assessment should remain subject to the assessment appeals. The final order also separately preserved assessment appeals in CA 661/1975. The return-of-documents remedy and assessment consequences must therefore be reported independently (pages 6,8/SCR 822 A-E,824 F-H).

A bounded later official-text check of Assistant Commissioner of Commercial Taxes v. Ruchi Soya Industries Ltd., 24 April 2008, paragraphs 11-17, is material to the timing limit. It says Oriental Rubber did not require approval and reasons to be communicated before expiry of the maximum retention period. It also distinguishes the West Bengal sales-tax statute's lack of provisions parallel to income-tax subsections(10) and(12). This later reading does not erase Oriental Rubber's expeditious-communication requirement or convert its historic period into current law (official web-text reported pages 6-8; no PDF images verified).

Source: [reported judgment / paragraphs Quoted statute and communication reasoning, SCR 822 F-824 F / PDF pages 6, 7, 8 / Judicial text unless expressly identified as editorial/appellate recital](#)

03 JUDICIAL DECISION

The Court confirmed the High Court orders directing return of the seized books and documents in all four appeals and dismissed the appeals, subject to express assessment directions in two of them. In CA 1652/1973 the 5 February 1969 assessment was upheld subject to any appeals against it. In CA 661/1975 the assessment orders for the concerned, unspecified years remained subject to appeals already preferred or lawfully to be preferred. There was no order as to costs (physical page 8/SCR 824 F-H).

Source: [reported judgment / paragraphs Operative SCR 824 F-H / PDF pages 8 / Judicial text unless expressly identified as editorial/appellate recital](#)

04 OUTCOME / IN WHOSE FAVOUR

In whose favour: Assessee on return of documents; Revenue obtains express preservation of assessments in CA 1652 and CA 661 subject to statutory appeals

All four appeals dismissed subject to two assessment qualifications; records to be returned.

Final reasoned section 132 holding, with distinct assessment directions.

No decision on merits of the outstanding assessment appeals or an automatic assessment-nullity rule.

Source: [reported judgment / paragraphs Separate lead/CA 661 assessment directions, SCR 824 G-H / PDF pages 8 / Judicial text unless expressly identified as editorial/appellate recital](#)

05 AKHB REVIEW POINT

When auditing an extended-retention order, keep three questions separate: were reasons recorded and approval obtained; were both expeditiously communicated so the statutory objection right was usable; and what distinct assessment remedy follows on the actual pleadings and facts? Track each successive approval, not only the first. Do not replace “as expeditiously as possible” with an unverified pre-expiry service deadline.

The 2011 government-hosted compilation records that Finance Act 2002 substituted the old 180-day-from-seizure wording with an assessment-linked period from 1 June 2002. It also records later approving-authority changes, the 2003 section 153A reference, and relocation of Board hearing machinery into subsection(10) with omission of subsection(12). Physical pages 671-673/printed 1.630-1.632 were checked for these historical changes. The applicable search date, assessment regime, approving authority and later amendments still require separate verification. Neither this 2011 snapshot nor the 2008 sales-tax comparison is a current section 132 deadline or a 2025 crosswalk. AKHB REVIEW POINT is editorial analysis.

Source: See the proposition-specific paragraph and PDF-page references below.

DETAILED DISPOSITION AND CONNECTED GROUPS

Costs: No order as to costs.

Proceeding outcomes

1.

Case number: Civil Appeal No. 1652 of 1973

Parties: Oriental Rubber Works

Appellant role: Revenue

Outcome: Dismissed; return of records confirmed

Assessment direction: AY 1964-65 assessment of 5 February 1969 upheld subject to assessment appeals

Underlying proceeding: Calcutta HC 25 June 1973, Appeal 233/1970

Pinpoint: Physical pages 2,5,8/SCR 818 D-H,821 C,824 F-H

2.

Case number: Civil Appeal No. 759 of 1973

Parties: Respondent name not separately identified in the report

Appellant role: Revenue

Outcome: Dismissed; return of records confirmed

Assessment direction: No separate assessment direction

Underlying proceeding: Calcutta HC 2 June 1972, AFO 155 and 158/1970 jointly recited for CA 759-760

Pinpoint: Physical pages 2,5,8/SCR 818 D-H,821 C,824 F-H

3.

Case number: Civil Appeal No. 760 of 1973

Parties: C.K. Wadhwa, identified in judicial recap

Appellant role: Revenue

Outcome: Dismissed; return of records confirmed

Assessment direction: No separate assessment direction

Underlying proceeding: Calcutta HC 2 June 1972, AFO 155 and 158/1970 jointly recited for CA 759-760

Pinpoint: Physical pages 2,5,8/SCR 818 D-H,821 C,824 F-H

4.

Case number: Civil Appeal No. 661 of 1975

Parties: Respondent name not separately identified in the report

Appellant role: Revenue

Outcome: Dismissed; return of records confirmed

Assessment direction: Assessments for unspecified concerned years subject to appeals already preferred or lawfully to be preferred

Underlying proceeding: Calcutta HC 15 March 1974, Appeal 96/1972

Pinpoint: Physical pages 2,5,8/SCR 818 D-H,821 C,824 F-H

SEPARATE JUDICIAL OPINIONS AND READING BOUNDARIES

1.
Author: V.D. Tulzapurkar, J.
Formal position: Single opinion of the Court
Separate opinions: False
Read scope: Full bounded judicial opinion and all reported source pages; no dissent or concurrence present

ADDITIONAL STATUTORY CONTEXT, NOT SEPARATE HOLDINGS

142(1); 143(2); 143(3); Constitution Article 226; Historical section 132(8) proviso also refers to proceedings under the 1922 Act

JUDICIAL AUTHORSHIP AND SEPARATE OPINIONS

V.D. Tulzapurkar, J.

ACT IDENTIFIED IN THE REVIEWED SOURCE

Income-tax Act, 1961

SPECIFIED LATER TREATMENT CHECKS AND THEIR LIMITS

1.
Source: Ruchi Soya, 24 April 2008, paragraphs 11-17
Result: Rejects treating Oriental Rubber as requiring communication before the retention period expires; distinguishes sales-tax objection machinery
Status: bounded official web text only

2.
Source: 2011 statutory compilation pp 671-673
Result: Historical clock and machinery changed
Status: bounded historical statute only

PDF TEXT-ONLY SOURCE CHECKS AND READING LIMITS

1.
Kind: official later judgment web text bounded
Title: Assistant Commissioner of Commercial Taxes & Others v. Ruchi Soya Industries Ltd.
Decision date: 2008-04-24
Case numbers: Civil Appeal No. 7231 of 2002
Url: [Open cited source](#)
Source format: Official Supreme Court PDF, web-extracted text only
Accessed at utc: 2026-10-05T22:08:51Z
Web reported pdf pages: 9
Web text pages read: 1; 2; 3; 4; 5; 6; 7; 8; 9

Physical text pages read:

Physical image pages read:

Full document read: False

Full web judicial text read: True

Read bounds: Complete web-extracted judicial paragraphs 1-19, reported PDF pages 1-9, read; relied discussion paragraphs 11-17, reported pages 6-8. Final paragraphs 18-19 read to check distinct sales-tax disposition. This is not a raw PDF or image-based fresh merits review.

Provenance: Successful official web-text open. One ordinary raw attempt returned non-PDF content, rejected before saving; zero PDF bytes retained. Screenshot attempts for reported pages 1,7,8 returned cache misses. No raw SHA-256, raw byte count or image-read claim.

Reliance limit: Bounded later Supreme Court interpretation of Oriental Rubber in a West Bengal Sales Tax Act case; not comprehensive later treatment or present section 132 certification.

Source anomalies: Ruchi Soya paragraph 4 refers to seizure on 18 October 2001 whereas paragraphs 3 and 5 use 18 October 2000; none of those later-case dates is imported into Oriental Rubber.

SOURCE & VERIFICATION

Hon'ble Supreme Court source PDF (reported judgment)

Identified source rendition: 8 PDF pages; SHA-256

554c581b609df9c1d8934ab851a0cd3f97369e3e37e4fc07f62e2a19bac13254. Original bytes preserved.

Open cited source rendition

full primary text read: True; all primary page images reviewed: True; material primary page images reviewed: True; source integrity verified: True; actual statutory scope verified: True; all listed proceedings accounted for: True; all authored opinions separately accounted for: True; material later treatment limits prominent: True; comprehensive later treatment verified: False; current law verified: False; mapping 2025 verified: False; independent QA complete: True; parent full prose approval: True

SCR report citation, date, bench, docket and operative disposition verified from source images. Catalogue 1983INSC176 remains metadata only, not authenticated as a neutral citation.

AY 1964-65 is expressly identified for Oriental Rubber/CA 1652. CA 661's concerned assessment years are not specified. No AY is assigned to CA 759 or 760. The isolated printed 1954-55 in the Single Judge recap is preserved as an anomaly, not treated as another assessed year.

STATUTORY SCOPE

No Income-tax Act 1961 to Income-tax Act 2025 equivalence, commencement, transition, savings or automatic precedent carryover certified. Bounded later statutory/judicial checks remain separate.

LATER TREATMENT

Source checked 2026-10-05. Ruchi Soya is a directly read official-web later Supreme Court comparison on timing and statutory context; complete later treatment remains not_verified.

IDENTIFIED SOURCE LINKS

reported judgment - PDF pages: 8

SHA-256: 554c581b609df9c1d8934ab851a0cd3f97369e3e37e4fc07f62e2a19bac13254

official government hosted statutory compilation bounded - PDF pages: 1251

SHA-256: 1ec6e4c38dc1d524d1d40b1fd35d13ac1336c8fc549cef2af1bf723a999c822b

Assistant Commissioner of Commercial Taxes & Others v. Ruchi Soya Industries Ltd.

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

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