

Commissioner of Income Tax, Bihar, Patna v. Amar Singh Gowamal & Sons, Jharia, Dhanbad

Civil Appeal No.1912 (NT) of 1974

[1986] 3 SCR 308 | 1986-07-17

Could the firm's AY 1962-63 Form 11A application be refused on the footing that it was merely continuation under section 184(7) of a registration granted under the 1922 Act, and could alleged defects justify rejection without the section 185(2) opportunity?

184(1): first registration under the 1961 Act | 184(4): time for application and power to entertain an application after the previous year | 184(7): conditional continuation in subsequent assessment years | 185(2): opportunity concerning alleged application defects | 185(4): noting registration under the new Act | 182: historical assessment of registered firms, mentioned in the explanation of Chapter XVI | 256(1): High Court reference | 261: certificate appeal | 297(2)(k): High Court's savings reasoning recorded, but Supreme Court found consideration unnecessary

Two-judge bench | R.S. Pathak, J. | Sabyasachi Mukharji, J.

Assessment years: 1962-63

Historical registration transition; preserve statutory and source limits

This decision concerns first registration for AY 1962-63 under the historical 1961 Act regime, followed by conditional continuation in later years. It does not carry a 1922 registration forward automatically. The report's isolated 1961 application-date reference and carry-over wording conflict with its repeated facts and express holding; 29 September 1962 and the Court's no-carry-over rule control. Section 297(2)(k) was left unnecessary to decide, and no remand was ordered. Comprehensive later treatment, current law and 2025 mapping remain unverified.

01 FACTS OF THE CASE

The firm had been registered under the Indian Income-tax Act, 1922 since 1945, with registration through AY 1961-62. Its constitution changed on 8 November 1961, the last day of the previous year relevant to AY 1962-63, and a new partnership instrument came into existence from 9 November 1961. It applied on 29 September 1962 in Form 11A for registration under the 1961 Act. The Income-tax Officer refused registration on the ground that the case fell under section 184(7); the Tribunal upheld that refusal (physical page 3/SCR 310 E-H).

On a section 256(1) reference, the Patna High Court held that the application sought registration of the firm that had existed during the relevant previous year, while its constitution had changed by the application date. Form 11A was valid under rule 22(4)(ii). The Revenue appealed by certificate under section 261 from the High Court's judgment of 23 November 1973 in Tax Case No.46 of 1969. The question was whether the application made on 29 September 1962 had validly been refused, not a general inquiry into the legal constitution or genuineness of the partnership.

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

02 DISCUSSION BY THE HON'BLE COURT

The Court distinguished initial registration and annual renewal under the 1922 regime from the conditional continuation introduced by the 1961 Act. Under section 26A and the old rules, registration operated for one assessment year and required annual renewal. The forms also accommodated the situation in which the firm at the application date differed from the firm whose previous-year income was being assessed. The Court noted that the Board had extended the transitional application deadline to 30 September 1962; the firm's 29 September 1962 application was therefore in time (physical pages 4–5/SCR 311 G–312 H).

Under the historical 1961 scheme, sections 184(1) and 184(4) dealt with an application for registration, and section 184(7) allowed a registration granted under that scheme to continue in subsequent years if its requirements were fulfilled. A registration granted under the 1922 Act could not itself continue into AY 1962-63 through section 184(7). A first application under section 184(1), with registration noted under section 185(4), was needed for that year. Section 184(7) would operate only for the subsequent AY 1963-64. The Court agreed that Form 11A was a good and valid application under rule 22(4)(ii) in these circumstances (physical page 6/SCR 313 A–G).

There was also an independent procedural reason against rejection: in view of the alleged application defects, the Income-tax Officer should have given the firm an opportunity under section 185(2). Rejection without doing so was invalid. The Court did not identify a new period for rectification or order a remand. It expressly declined to examine section 26 of the 1922 Act, because no constitution issue had been pursued below, and found it unnecessary to address the High Court's separate section 297(2)(k) savings analysis. Those matters must not be presented as independently decided Supreme Court holdings (physical pages 4 and 6–7).

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

03 JUDICIAL DECISION

The Supreme Court upheld the High Court's negative answer to whether the Form 11A application had validly been refused. The Revenue's Civil Appeal No.1912 (NT) of 1974 was dismissed. There was no order as to costs because the respondent was not represented. No remand or fresh registration timetable was ordered (physical page 7/SCR 314 A).

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

04 OUTCOME / IN WHOSE FAVOUR

In whose favour: Assessee firm

Revenue appeal dismissed; refusal of the AY 1962-63 registration application held invalid; no order as to costs

Reasoned final decision on first registration under the 1961 Act and the statutory opportunity for alleged application defects

Confined to the historical transition and the provisions then applicable. Conditional subsequent-year continuation is not automatic carry-over of a 1922 registration. The Supreme Court did not decide section 297(2)(k), firm constitution, present partnership taxation or a modern crosswalk.

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

05 AKHB REVIEW POINT

Separate three questions: which statutory regime supplies the registration, whether the application is for first registration or continuation, and whether an alleged defect requires an opportunity to cure. This judgment treats AY 1962-63 as the first registration under the new Act; it does not convert the old annual registration into perpetual recognition. The Board's transitional extension and the changed constitution at the application date are material to the validity of this particular Form 11A.

Keep the alternative section 185(2) safeguard distinct from the primary transition holding. Do not describe the Court as remanding the matter or finally endorsing the High Court's section 297(2)(k) reasoning. The registration regime and procedural text applicable to any later year must be checked independently. A limited name search in the available primary-judgment collection identified no later direct citation for review; this does not establish that the decision has no later treatment or remains controlling today.

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

PROPOSITION-SPECIFIC SOURCE PARAGRAPHS AND PDF PAGES

1.

Topic: Identity, date, certificate appeal, judicial author and historical facts

Source url: [Open cited source](#)

Pdf pages: 1; 3

Paragraphs: SCR 308 A-B; 310 C-H

Source role: reported metadata and judicial text

2.

Topic: Referred question, Form 11A, and issues concerning constitution not examined

Source url: [Open cited source](#)

Pdf pages: 4

Paragraphs: SCR 311 A-H

Source role: judicial text

3.

Topic: Prior registration rules, transitional deadline and distinction of forms

Source url: [Open cited source](#)

Pdf pages: 5

Paragraphs: SCR 312 A–H

Source role: judicial text

4.

Topic: Initial 1961 registration, later conditional continuation and valid application

Source url: [Open cited source](#)

Pdf pages: 6

Paragraphs: SCR 313 A–G

Source role: judicial text

5.

Topic: Section 297(2)(k) not addressed; alternative defect-opportunity holding

Source url: [Open cited source](#)

Pdf pages: 6; 7

Paragraphs: SCR 313 F–H; 314 A

Source role: judicial text

6.

Topic: Negative reference answer affirmed, appeal dismissed and no costs

Source url: [Open cited source](#)

Pdf pages: 7

Paragraphs: SCR 314 A

Source role: judicial text

JUDICIAL AUTHORSHIP AND SEPARATE OPINIONS

Sabyasachi Mukharji, J.

ACT IDENTIFIED IN THE REVIEWED SOURCE

Income-tax Act, 1961, historical firm-registration regime and transition from the Indian Income-tax Act, 1922

OTHER STATUTORY PROVISIONS AND THEIR SEPARATE SCOPE

Income-tax Rules, 1962, rule 22(4)(ii) and Form 11A; Indian Income-tax Act, 1922, section 26A and rules 2 and 6: prior registration/annual-renewal scheme compared; Indian Income-tax Act, 1922, section 26: expressly not examined because no issue about firm constitution was pursued

SPECIFIED LATER PRIMARY-SOURCE COMPARISONS AND LIMITS

Status: no later primary decision identified in bounded discovery

Scope: Name-based discovery in the available primary-judgment collection only

Direct subsequent judgments reviewed: 0

Conclusion: No conclusion about survival, overruling, distinction or absence of later treatment.

SOURCE & VERIFICATION

Hon'ble Supreme Court source PDF (reported judgment)

Identified source rendition: 7 PDF pages; SHA-256

365cfdbfa1eb97e3bf1719efee700588afd0912d4a14553a93e570707745c8e9. Original bytes preserved.

Judicial text begins physical page 3/SCR 310 E and ends physical page 7/SCR 314 A. Editorial headnotes and appellate metadata precede the judgment on pages 1–3. No neighbouring judgment.

Open cited source rendition

The operative application date is 29 September 1962, consistently given in the judicial facts, the referred question and the final reasoning. SCR 313 C once prints 29 September 1961; that internal source slip is not silently adopted.; SCR 311 C, while reporting the High Court's reasoning, says registration granted under the 1922 Act enures under the 1961 Act, but the immediately following text and the Supreme Court's express holding at SCR 313 D–F reject automatic carry-over into AY 1962-63. The isolated wording must not reverse the holding.; The headnote's combined 184/26A label must be allocated correctly: section 184 belongs to the 1961 Act; section 26A belongs to the 1922 Act. Form 11A is repeatedly misread as UA or IIA in extracted text.; Although the High Court considered section 297(2)(k), the Supreme Court expressly found it unnecessary to address it. The Court also declined to examine section 26 of the 1922 Act.; The catalogued author marker is unreliable: the rendered judicial heading identifies Sabyasachi Mukharji, J. as author. The respondent was unrepresented and the express costs order is no order as to costs.

AY 1962-63 is the year in issue. Registration under the 1922 Act had continued through AY 1961-62. AY 1963-64 is mentioned only to explain when section 184(7) continuation could next operate; it is not an additional appeal year.

STATUTORY SCOPE

Historical firm-registration provisions applicable to AY 1962-63. No automatic mapping to current provisions or the Income-tax Act, 2025.

LATER TREATMENT

Source checked 2026-10-04. not_verified. Bounded discovery only: exact-name/name-variant searches for Amar Singh Gowamal, Gowamal and Gowramal in the available primary-judgment collection identified this judgment and no later direct citation. The broader phrase Amar Singh produced unrelated cases. No later judgment was identified and substantively reviewed in this pass; no comprehensive citing-case history, current statute or 2025 crosswalk was checked.

IDENTIFIED SOURCE LINKS

reported judgment - PDF pages: 7

SHA-256: 365cfdbfa1eb97e3bf1719efee700588afd0912d4a14553a93e570707745c8e9

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