

Controller of Estate Duty, Gujarat-I, Ahmedabad v. M. A. Merchant and Others

Civil Appeals Nos. 2-4 of 1975

[1989] 2 SCR 987 | 1989-05-02

Historical estate duty: new reopening power did not retrospectively disturb a completed assessment.

Estate Duty Act, 1953: sections 59, 62, 53, 56, 58 and 73A | Estate Duty (Amendment) Act, 1958

2-judge bench; unanimous judgment delivered by R. S. Pathak, C.J. | R. S. Pathak, C.J. | Sabyasachi Mukharji, J.

Assessment years: Assessment completed 26 February 1960

Historical statutory setting

The decision concerns a historical Estate Duty Act transition; its Income-tax Act analogies do not state current reassessment law.

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

The accountable persons' estate-duty assessment was completed in February 1960. In February 1962, after substituted section 59 commenced on 1 July 1960, the Assistant Controller issued a notice alleging escaped estate-duty property (SCR pp.987-990; PDF pp.1-4).

Source: [Primary judgment: facts](#)

02 DISCUSSION BY THE HON'BLE COURT

Old section 62 and new section 59 differed materially in their conditions and reach, so the latter was not a mere continuation. No express language or necessary implication made section 59 retrospective, and a completed assessment could not be disturbed by the new power (SCR pp.990-993; PDF pp.4-7).

Source: [Primary judgment: discussion](#)

03 JUDICIAL DECISION

The Court held the reopening invalid and dismissed Revenue's appeals with costs (SCR p.993; PDF p.7).

Source: [Primary judgment: decision](#)

04 OUTCOME / IN WHOSE FAVOUR

In favour of the accountable persons: the completed pre-commencement assessment remained closed (SCR pp.992-993; PDF pp.6-7).

Source: [Primary judgment: outcome](#)

05 AKHB REVIEW POINT

AKHB analysis: for transitional reopening disputes, compare the old and new powers and require express language or necessary implication before applying the new regime to completed assessments. Current provisions require separate analysis (based on SCR pp.992-993; PDF pp.6-7).

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 7-page count match catalogue asset 1989_2_987_993; 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 concerns a historical Estate Duty Act transition; its Income-tax Act analogies do not state current reassessment law.

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.