

Oxford University Press v. Commissioner of Income Tax

Civil Appeal No. 533 of 1970-71 (as printed; year anomalous) / Civil Appeal No. 534 of 1997 / Civil Appeal No. 4406 of 1997 / Civil Appeal No. 7275 of 1999

[2001] 1 SCR 574 | 2001-01-24

Could the Indian publishing operation claim former section 10(22) exemption because it was part of the University of Oxford, although no educational activity in India was shown, and did eligibility require Indian incorporation or educational activity in India?

10(22) | 256(1)

Three judges | S.P. Bharucha, J. | D.P. Mohapatra, J. | Y.K. Sabharwal, J.

Assessment years: 1972-73, 1973-74, 1974-75, 1976-77, 1977-78, 1979-80, 1983-84

Historical section 10(22): 2:1 ruling; provision later omitted

Oxford's appeals were dismissed by the Mohapatra-Sabharwal majority. Bharucha J.'s proposed allowance is a dissent, and the majority opinions have different premises. The historical compilation records section 10(22)'s omission from 1 April 1999. New Noble's bounded later discussion does not justify a present-day primarily-educational test or automatic carryover into section 10(23C). Comprehensive later treatment, current-law applicability and Income-tax Act, 2025 mapping remain not_verified. The printed lead appeal year 1970-71 is anomalous and remains unresolved; no authenticated correction is claimed.

01 FACTS OF THE CASE

This is a 2:1 decision under former section 10(22), with two separately reasoned majority opinions and a dissent. The operative result is dismissal of the assessee's appeals. The printed report later reproduces the dissent's proposed allowance immediately before the majority order; that allowance is not the Court's result.

Oxford University Press carried on printing, publishing and book-selling business in India. It had been assessed as a company from AY 1952-53 under a Central Board of Revenue notification issued at its request; Bharucha J. gives the notification date as 31 July 1954 and describes the treatment as a non-resident company. For AY 1976-77, the return showed income of Rs. 19.94 lakhs. Exemption was claimed on the basis that the Press formed part of the University of Oxford in the United Kingdom (physical 6/SCR 579 A-D and physical 28/SCR 601 B-E).

The assessing officer rejected the claim. Mohapatra J. describes the assessment as made under section 144B. The Commissioner (Appeals) accepted the university connection and set the assessment aside; the Tribunal rejected Revenue's further appeal. On the section 256(1) reference, Bombay High Court answered against the assessee on 21 December 1995 in ITR 82/1984. The Supreme Court appeals also covered following High Court orders for AYs 1972-73, 1973-74, 1974-75, 1977-78, 1979-80 and 1983-84, in addition to AY 1976-77. No appeal-to-year allocation is supplied (physical 5-6 and 27 G-28 E).

The assessee argued that the taxable person and income were those of the University, that the exemption did not require incorporation or teaching in India, and that the publishing source of income did not disqualify it. Revenue urged an Indian-university limitation using the UGC Act, alternatively an implied requirement of educational activity in India. Its argument was that purely Indian commercial earnings should not become exempt merely because the education occurred overseas. The record did not present a case that Oxford was imparting education or providing educational facilities in India. The opinions differ materially in their treatment of the university identity and funds premises; those differences are preserved below.

Source: [reported judgment / paragraphs SCR 578-581, 586 and 600-602: reference, assessment, assumptions, all years and High Court route / PDF pages 5, 6, 7, 8, 13, 27, 28, 29 / judicial text](#)

02 DISCUSSION BY THE HON'BLE COURT

D.P. Mohapatra J., majority: He criticised the Tribunal's reliance on the Press's name and asserted university connection, its placement of the contrary-proof burden on Revenue, and its failure to examine whether the income formed part of the University's funds. He therefore did not accept counsel's proposition that Oxford University was established to be the real assessee. He read the educational/non-profit qualification as applying to universities as well as other educational institutions; the objects, purpose and income source were relevant to that inquiry. Foreign incorporation was not itself a bar, but a commercial publishing label was insufficient proof of qualifying educational activity (physical 8-10/SCR 581-583).

Drawing on other section 10 exemptions and purposive-construction authorities, Mohapatra J. reasoned that an exemption for education had a public purpose and should not treat a wholly commercial establishment as indistinguishable from a qualifying university. He construed section 10(22) to require some educational activity in India and an existence here not directed only to profit. On the evidence he would uphold the High Court and dismiss the appeals, without costs. His rationality/discrimination discussion supports statutory construction; he did not strike down a provision (physical 11-12/SCR 584-585).

Y.K. Sabharwal J., concurring in the majority result: He expressly assumed that the Press was part of Oxford, that the University's sole purpose was educational and not profit, and that the Press's income was the University's income. He still denied exemption because no educational activity in India was claimed or shown. He agreed that the educational/non-profit qualification applied to both kinds of institution and rejected importing the UGC Act's domestic definition. Where Parliament required constitution or establishment in India in other exemptions it said so; absence of those words in section 10(22) meant that a foreign institution could qualify (physical 13-17/SCR 586-590).

Sabharwal J. expressly accepted that the source of income was immaterial for the exemption and that printing and selling books was not, by itself, a ground for denial. His decisive distinction was between foreign establishment and absence of educational activity in India. Through K.P. Varghese, J.H. Gotla and Kodaikanal Motor Union, he explained why purposive construction could recognise an implicit condition where a literal reading would defeat the statutory purpose. He distinguished the warehousing authority relied on for strict literal construction. Educational service or activity in India was, in his view, the provision's basic assumption. A university established abroad could satisfy it, but this assessee did not (physical 17 D-27 F/SCR 590-600).

S.P. Bharucha J., dissent: He accepted the Tribunal's university connection, treated the income and taxable person as Oxford University itself, and regarded the publishing source as irrelevant. The word existing described the institution's being, not its location. He saw no basis to add a requirement of teaching in India where the clause had none, and rejected using the UGC definition. Although he first suggested that the qualification strictly attached only to other educational institutions, he expressly read it as applicable to universities too for this case. He found no necessary absurdity in Parliament foregoing some Indian tax revenue

02 DISCUSSION BY THE HON'BLE COURT

to support genuinely non-profit education abroad, distinguished the reasons for purposive readings in the cited cases, and would have allowed the appeals without costs (physical 27 G-34 A/SCR 600-607).

The common majority basis is the absence of educational activity in India under the former exemption. Mohapatra J.'s objections concerning proof of identity/funds and his treatment of income source should not be presented as adopted by Sabharwal J. The dissent's no-location reading must likewise not be turned into the binding result.

Source: [reported judgment / paragraphs Mohapatra J., SCR 581-585 / PDF pages 8, 9, 10, 11, 12 / judicial text](#); [reported judgment / paragraphs Sabharwal J., SCR 586-600 / PDF pages 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 / judicial text](#); [reported judgment / paragraphs Bharucha J. dissent, SCR 600-607 / PDF pages 27, 28, 29, 30, 31, 32, 33, 34 / judicial text](#)

03 JUDICIAL DECISION

By a majority of Mohapatra and Sabharwal JJ., the Supreme Court dismissed the assessee's appeals, leaving the High Court's adverse section 10(22) answer standing. Foreign constitution was not disqualifying by itself, but the historical exemption required educational activity in India, absent here. Bharucha J.'s proposed allowance was a dissent. The separately printed final majority order dismisses all appeals and makes no order as to costs; no remand or separate computation direction is stated (physical 12 G, 27 F and 34/SCR 585, 600 and 607).

Source: [reported judgment / paragraphs Majority authored conclusions and separate operative majority order / PDF pages 12, 27, 34 / judicial text](#)

04 OUTCOME / IN WHOSE FAVOUR

In whose favour: Revenue, by 2:1 majority

All listed assessee appeals dismissed; no order as to costs

Substantive construction and application of former section 10(22), with separately reasoned majority opinions and dissent

Historical former-section ruling. No automatic exemption under successor provisions, no imported present-day primarily-educational test, no general bar on every publishing receipt, and no inference that the dissent was operative. The printed lead appeal year remains unresolved.

Source: [reported judgment / paragraphs Four printed appeal entries, seven years and common dismissal/no-costs order / PDF pages 5, 27, 34 / judicial text](#)

05 AKHB REVIEW POINT

Keep institutional identity, educational objects and actual Indian activity separate. Sabharwal J. reached the majority result even while assuming the university connection and non-profit character in the assessee's favour. Accordingly, this is not a safe citation for a blanket rule that any commercial-source receipt defeats educational exemption. Nor does the shared result make every statement in the two majority opinions a shared premise.

A bounded later check is material. New Noble Educational Society (19 October 2022), paragraphs 41-42, expressly distinguishes Bharucha J.'s dissent from the other opinions and reproduces the Indian-activity reasoning. Its later discussion of section 10(23C) rejects a merely predominant educational object: paragraphs 60 and 76 disapprove American Hotel and Queen's Educational Society to the stated extent, while paragraph 78 directs prospective operation. Those passages do not declare Oxford overruled. They do caution against treating Mohapatra J.'s phrase or at least primarily as a present-law test. This is a selected later-source check, not an exhaustive assessment of Oxford's continuing reach.

The department-hosted 2011 compilation records section 10(22)'s omission by the Finance (No. 2) Act, 1998 from 1 April 1999 and points to section 10(23C). That historical change is not a certification that all of the former exemption's rules carry into every successor version. For a live file, identify the year, operative route, institutional objects, Indian activities and applicable approval conditions independently. Comprehensive later treatment, current-law applicability and Income-tax Act, 2025 mapping remain not_verified.

Source: [reported judgment / paragraphs Distinct premises and shared India-activity issue / PDF pages 8, 10, 13, 17, 26, 27, 30 / judicial text; bounded later direct treatment / paragraphs New Noble paragraphs 41-42, 60, 76-78; direct discussion, limited overruling and prospectivity / PDF pages 28, 29, 30, 42, 49, 50, 51, 52 / judicial text; historical statutory compilation / paragraphs Section 10\(22\) omission and footnote 14, printed 1.72 / PDF pages 113 / historical statutory compilation](#)

DETAILED DISPOSITION AND CONNECTED GROUPS

Proceeding outcomes

1.

Case number: Civil Appeal No. 533 of 1970-71 (as printed; year anomalous)

Outcome: Dismissed under the common majority order; no order as to costs; no individual appeal-to-assessment-year allocation supplied

2.

Case number: Civil Appeal No. 534 of 1997

Outcome: Dismissed under the common majority order; no order as to costs; no individual appeal-to-assessment-year allocation supplied

3.

Case number: Civil Appeal No. 4406 of 1997

Outcome: Dismissed under the common majority order; no order as to costs; no individual appeal-to-assessment-year allocation supplied

4.

Case number: Civil Appeal No. 7275 of 1999

Outcome: Dismissed under the common majority order; no order as to costs; no individual appeal-to-assessment-year allocation supplied

Costs: No order as to costs, expressly stated in the operative majority order

ADDITIONAL STATUTORY CONTEXT, NOT SEPARATE HOLDINGS

Actual section 10(22) educational-exemption dispute under the 1961 Act, reached through section 256(1). Comparisons with other exemptions and quoted earlier tax cases are interpretative reasoning, not separate holdings resolving those provisions.

JUDICIAL AUTHORSHIP AND SEPARATE OPINIONS

Separate majority opinions by D.P. Mohapatra, J. and Y.K. Sabharwal, J.; dissent by S.P. Bharucha, J.

ACT IDENTIFIED IN THE REVIEWED SOURCE

Income-tax Act, 1961

SPECIFIED LATER TREATMENT CHECKS AND THEIR LIMITS

1.

Case: M/s New Noble Educational Society v. Chief Commissioner of Income Tax 1 and Anr.

Decision date: 2022-10-19

Relationship: direct discussion of split opinions and later successor scheme limits

Result: Paragraphs 41-42 distinguish Oxford's dissent and majority. Paragraphs 60/76 reject the solely interpretations in American Hotel and Queen's Education Society to the stated extent; paragraph 78 makes the later law prospective. No Oxford overruling is asserted from those passages.

Source pinpoints

1.

Source url: [Open cited source](#)

Pdf pages: 28; 29; 30; 42; 49; 50; 51; 52

Paragraphs: Paragraphs 41-42, 60 and 76-78

Source role: judicial text

Limit: Only specified pages read; no full New Noble re-review, comprehensive citator or present-law certificate.

OTHER STATUTORY PROVISIONS AND THEIR SEPARATE SCOPE

Sections 4 and 144B, assessment/contention context; Sections 10(20A), 10(21), 10(22A), 10(22B), 10(23), 10(24), 10(26), 10(29), comparison only; University Grants Commission Act, 1956, section 2(f), rejected imported definition; Section 52(2), discussed through K.P. Varghese; not the present assessment issue; Indian Income-tax Act, 1922, sections 16(3), 24(2), through J.H. Gotla; not the present Act scheme

SOURCE & VERIFICATION

[Hon'ble Supreme Court source PDF \(reported judgment\)](#)

Identified source rendition: 34 PDF pages; SHA-256

26ee58507f36fdaf13aa5146379f8e1d6ccc40f005ca931400a1a7f864e7e315. Original bytes preserved.

Open cited source rendition

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

Printed SCR heading, date, bench and proceedings checked against primary material images. Frozen catalogue INSC identifier is not independently authenticated; primary paragraph numbering is absent.

Printed physical 5 states lead Civil Appeal 533 of 1970-71. The frozen catalogue's 533/1970 is not a validated correction. No fresh docket identity authentication was obtained.; The primary judicial paragraphs are unnumbered. Paragraph numbers in later quotations are not retrofitted into this rendition.; Three authored opinions are complete and separately attributed. Mohapatra J. challenges the identity/funds proof; Sabharwal J. assumes it and treats source of income as irrelevant.; Bharucha J.'s proposed allowance at physical 34 is immediately followed by the operative majority dismissal. The majority order is printed twice, not two conflicting operative disposals.; Seven assessment years appear in the dissent's opening procedural recital, with no allocation to individual appeals; 1952-53 is historical company treatment only.; References to the 1962 Act and the 1963 date of Kodaikanal in this rendition are source anomalies. Earlier quoted-case facts and statutory regimes are not assigned to Oxford's assessment.; New Noble was read only within stated bounds. American Hotel and Queen's Education Society were not freshly independently reread for this note; their specified later treatment is reported from New Noble.; DOR text is a historical Taxmann compilation hosted by the Department, including editorial amendment notes; original amending Gazettes and complete present law were not verified.

All seven years appear in Bharucha J.'s opening procedural recital at physical 27/SCR 600 G-H. AY 1976-77 supplies the narrated assessment facts. AY 1952-53 marks the start of company treatment, not an additional assessment under appeal.

Physical 5/SCR 578 literally prints Civil Appeal No. 533 of 1970-71, followed by 534/97, 4406/97 and 7275/99. The lead year is anomalous given the stated 21 December 1995 Bombay High Court judgment in ITR 82/1984; it is preserved rather than silently replaced with 1997. The frozen 533/1970 metadata is not treated as reliable. The final order applies to all listed appeals; the report gives no individual appeal-to-year allocation.

STATUTORY SCOPE

No Income-tax Act, 2025 crosswalk or automatic carryover. Complete statutory amendment history, commencement, savings and present applicability have not been verified.

LATER TREATMENT

Source checked 2026-10-05. Only the specific later-source checks recorded here are verified. Comprehensive later treatment, present applicability and 2025 mapping remain not_verified.

IDENTIFIED SOURCE LINKS

[reported judgment - PDF pages: 34](#)

SHA-256: 26ee58507f36fdaf13aa5146379f8e1d6ccc40f005ca931400a1a7f864e7e315

[bounded later direct treatment - PDF pages: 52](#)

SHA-256: 35040ac9d41851f8a6b3b21144f78674111f23483edc98d1024bd56fa9fbff22

[historical statutory compilation - PDF pages: 1251](#)

SHA-256: 1ec6e4c38dc1d524d1d40b1fd35d13ac1336c8fc549cef2af1bf723a999c822b

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