

Commissioner of Income Tax, Rajkot v. Shatrusailya Digvijaysingh Jadeja

Civil Appeal No. 4411 of 2003

[2005] Supp. 2 SCR 1119 | 2005-09-01

Whether revision petitions filed with delay-condonation applications were pending at the declaration date for section 95(i)(c) of the 1998 Scheme, notwithstanding Revenue's objection that the litigation was late or created only to obtain settlement.

143(3) (assessment history) | 246 (appeal history) | 264 (revision history) | 260A (contextual comparison)

Two-judge bench | B.P. Singh, J. | S.H. Kapadia, J.

Assessment years: 1984-85, 1985-86, 1986-87, 1987-88, 1988-89, 1989-90, 1990-91, 1991-92

1998 Scheme pendency only; reciprocal interest appeals and source dates distinct

This single Revenue appeal upheld declaration-date pendency under the closed 1998 Scheme; it did not condone revision delay or decide assessment merits. The separate eight assessee appeals removed an additional interest direction. The source contains a cover-year error, conflicting filing-date narrative/table and an appellant-label slip, all flagged here. Completed determination/recovery was not reopened. No later-scheme eligibility, current law or comprehensive later treatment is certified.

01 FACTS OF THE CASE

Income-tax and Wealth-tax assessments for AYs 1984-85 through 1991-92 had been challenged, but the assessee's appeals were dismissed in 1992-93 for failure to deposit self-assessed tax. After the 1998 Scheme began, revision petitions were filed with delay-condonation applications. The judicial table records revisions filed between 26 November and 8 December 1998, declarations on 28/29 December 1998, rejection of those declarations on 9 February 1999 and refusal to condone revision delay on 31 March 2000 (physical pages 3-5/SCR 1121 G-1123 C).

The same table and submissions contrast appeal-based declarations accepted while condonation applications were pending. Revenue argued that the old assessments had become final, revisions were not pending when the Scheme commenced, and late discretionary revisions were artificial litigation. The assessee relied on pendency when the declarations were filed and on the Scheme's equal treatment of appeals and revisions. The Supreme Court appeal challenged the Gujarat High Court's judgment of 25 September 2002 in SCA 2020/1999 (physical pages 3-7/SCR 1121 B-1125 A).

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

02 DISCUSSION BY THE HON'BLE COURT

The Court treated the Scheme as a self-contained recovery arrangement intended to settle arrears tied up in proceedings. For section 95(i)(c), the differences among appeals, revisions and references under the ordinary tax statutes were put aside. The relevant question was pendency on the date of the section 88 declaration, rather than whether a revision had already been pending when the Scheme commenced (physical page 7/SCR 1125 B-G).

Drawing on Renuka Datta, the Court held that the designated authority could not reject a pending appeal or revision as sham, ineffective or infructuous. Its discussion of Raja Kulkarni and Tirupati Balaji distinguished existence of a pending proceeding from its ultimate competence; limitation or maintainability is for the forum hearing that proceeding. The Court did not itself condone the revision delay or adjudicate the underlying assessments (physical pages 8-9/SCR 1126 D-1127 A).

The Court also described the section 90 determination and certificate process, explaining that payment liability arose after ascertainment. It recorded that determination and recovery had already occurred, including recovery by sale of land and payments pursuant to the authority's determination, and declined to reopen that exercise. Revenue had cited Computwel Systems, but the report does not provide a separately reasoned overruling of that authority. The specific additional-interest relief is recorded in the separately reported reciprocal assessee appeals (physical pages 6, 8-9/SCR 1124 C, 1126 A-D, 1127 B).

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

03 JUDICIAL DECISION

Revenue's Civil Appeal 4411/2003 was dismissed with no order as to costs. The designated authority's orders rejecting the declarations were quashed, and the High Court's judgment was upheld to that extent. The completed determination/recovery exercise was not reopened; no fresh amount or assessment merits ruling was made (physical pages 8-9/SCR 1126 C-D, 1127 B).

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

04 OUTCOME / IN WHOSE FAVOUR

In whose favour: Assessee on Scheme declaration eligibility

Revenue appeal dismissed; designated authority rejection orders quashed; no costs

Final on the historical Scheme pendency objection; completed recovery not reopened

Not a general condonation order, restoration of all underlying appeals, blanket permission to manufacture litigation, or eligibility ruling under later settlement schemes. Interest relief in the separate assessee appeals remains a distinct operative unit.

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

05 AKHB REVIEW POINT

Build the chronology around the actual declaration date and identify which forum had power to decide limitation. Under this Scheme, a designated authority could not substitute its own appraisal of the pending proceeding's effectiveness for that forum's decision. The distinction does not remove filing limits from ordinary tax appeals and revisions or override a different scheme's eligibility wording.

Keep the rejected revision-based declarations separate from accepted appeal-based declarations appearing in the comparison table. The printed narrative and table differ on filing dates, so use the table's labelled columns with an explicit caution rather than silently merging events. Preserve the final refusal to reopen completed recovery and consult the reciprocal interest judgment for the additional direction set aside there.

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

PROPOSITION-SPECIFIC SOURCE PARAGRAPHS AND PDF PAGES

1.

Topic: Identity and single Revenue appeal

Source url: [Open cited source](#)

Pdf pages: 1; 3

Paragraphs: Cover; jurisdiction; opening at SCR 1121 D-F

Source role: reported metadata and judicial text

2.

Topic: Historical assessments and chronological comparison table

Source url: [Open cited source](#)

Pdf pages: 3; 4; 5

Paragraphs: Unnumbered facts and table; SCR 1121 G-1123 C

Source role: judicial text

3.

Topic: Rival arguments and cited Computwel authority

Source url: [Open cited source](#)

Pdf pages: 5; 6; 7

Paragraphs: Unnumbered submissions; SCR 1123 C-1125 A

Source role: judicial text

4.

Topic: Scheme-specific pendency analysis

Source url: [Open cited source](#)

Pdf pages: 7; 8; 9

Paragraphs: Unnumbered analysis; SCR 1125 B-G, 1126 D-1127 A

Source role: judicial text with attributed precedent discussion

5.

Topic: Determination and completed recovery; operative result

Source url: [Open cited source](#)

Pdf pages: 8; 9

Paragraphs: Unnumbered discussion and ending; SCR 1126 A-D, 1127 B

Source role: judicial text

JUDICIAL AUTHORSHIP AND SEPARATE OPINIONS

S.H. Kapadia, J.

ACT IDENTIFIED IN THE REVIEWED SOURCE

Finance (No. 2) Act, 1998: Kar Vivad Samadhan Scheme, 1998; connected Income-tax Act, 1961 proceedings

SPECIFIED COMPARISONS AND THEIR LIMITS

1.

Kind: bounded same day reciprocal judgment comparison

Case id: sc-2005-09-01-shatrusailya-jadeja-kvss-interest

Case: Shatrusailya Digvijaysingh Jadeja v. Commissioner of Income Tax, Rajkot

Asset id: S 2005 2 1115 1118

Source url: [Open cited source](#)

Source sha256: 24ee53e160cf1ad7b645733d858a1b504fa15dce03ca8bf4df22cce5999881fe

Source file bytes: 112519

Source pdf pages: 4

Pdf pages: 2; 3; 4

Actually read: Complete judicial text on physical pages 2-4 independently read; comparison particularly uses SCR 1117 B-D and 1118 B-D.

Finding: Civil Appeals 4403-4410/2003 are the assessee's separate challenge to the additional interest direction. They expressly identify the same-day Revenue appeal and are allowed without costs, setting aside that direction.

Scope limit: Same-day reciprocal comparison, not later treatment. The eligibility dismissal and interest allowance are complementary but distinct operative appeal units.

OTHER STATUTORY PROVISIONS AND THEIR SEPARATE SCOPE

Finance (No. 2) Act, 1998, Chapter IV, Kar Vivad Samadhan Scheme: sections 86-98, particularly 87(f), 88, 90, 92 and 95(i)(c); Wealth-tax Act, 1957 (underlying assessment/revision context)

SOURCE & VERIFICATION

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

Identified source rendition: 9 PDF pages; SHA-256

7b5fdb956d542d2d0df0854cdb3a4be2af205a399883e0555788af83b2464412. Original bytes preserved.

Complete unnumbered judicial text from Kapadia J.'s opening at physical page 3/SCR 1121 D through the operative ending on physical page 9/SCR 1127 B. Physical pages 1-3 before that opening contain editorial headnote and reported metadata. The judicial table and attributed precedent discussion are included; no adjacent judgment.

[Open cited source rendition](#)

These eight years are expressly identified for the disputed revision-based declarations. The comparative table also lists accepted appeal-based declarations for AYs 1980-81, 1981-82, 1988-89 through 1993-94; those additional years are context, not newly rejected claims or separate Supreme Court appeals in this report.

Direct determination of a settlement-declaration issue arising from income-tax arrears and pending tax proceedings. The Scheme provisions belong to the Finance (No. 2) Act, 1998, not to the Income-tax Act section numbering. This is connected tax-settlement coverage, not a general 1961 Act charge or deduction holding.

The cover's editorial heading says Finance (2) Act, 1988; the judicial text on physical pages 4 and 7 says Finance (No. 2) Act, 1998. The note follows the judicial text and expressly flags the cover error.; Physical page 4/SCR 1122 C introduces 28/29 December 1998 as the filing date of appeals/revisions. The adjacent table instead labels those as revision-related declaration dates, gives revision filing as 26 November-8 December 1998 and appeal filing as 13/15 January 1999. Both are preserved as a source discrepancy; the chronology in this note is expressly drawn from the table.; The comparative table includes additional years and both appeal and revision entries for several years. It is not a list of extra Supreme Court appeals, and no amount or year-to-appeal mapping is inferred.; On physical page 8/SCR 1126 C, the judicial discussion calls the taxpayer appellant, although Revenue is the appellant in Civil Appeal 4411/2003. The context concerns the assessee's payment liability; the party label is not allowed to reverse the case identity or result.; The report mentions section 87(f) as disputed tax and also disputed amount. No independent statutory-text verification or fresh calculation is claimed.; Computwel Systems is identified as Revenue's cited authority; this rendition gives no separate detailed distinction or express overruling. Renuka Datta is also printed Delta in part of the judicial discussion; the attribution is not treated as an additional precedent.; The operative language preserves the High Court judgment to this extent. The separate assessee interest appeals were allowed; a single undifferentiated appeals dismissed label would lose that distinction.

Scheme provisions are separately identified and must not be indexed as identically numbered provisions of the Income-tax Act. The Court compares ordinary appeal/revision routes only to explain the Scheme's distinct pendency test.

STATUTORY SCOPE

No automatic mapping to the Income-tax Act, 2025 or present-law certification. Apply the statutory text for the relevant year.

LATER TREATMENT

Source checked 2026-10-04. Comprehensive subsequent judicial and statutory treatment has not been verified. Only the expressly identified bounded comparisons have been checked. No current-law or Income-tax Act, 2025 mapping is certified.

IDENTIFIED SOURCE LINKS

[reported judgment - PDF pages: 9](#)

SHA-256: 7b5fdb956d542d2d0df0854cdb3a4be2af205a399883e0555788af83b2464412

[bounded same day reciprocal judgment comparison - PDF pages: 4](#)

SHA-256: 24ee53e160cf1ad7b645733d858a1b504fa15dce03ca8bf4df22cce5999881fe

[Related note: Shatrusailya Digvijaysingh Jadeja v. Commissioner of Income Tax, Rajkot](#)

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.

PROFESSIONAL DISCLAIMER

General research information only; not legal or tax advice, a certified judgment or a substitute for the full order. Applicability depends on facts, assessment year, statutory version and jurisdiction. Subsequent treatment is unverified unless identified sources are expressly stated. Downloading does not create a professional engagement. Obtain case-specific advice before reliance.