

U.P. Forest Corporation and Anr. v. Dy. Commissioner of Income Tax, Lucknow

Civil Appeal No. 9432 of 2003 / Civil Appeal No. 9433 of 2003 / Civil Appeal No. 9435 of 2003 / Civil Appeal No. 9436 of 2003 / Civil Appeal No. 9437 of 2003 / Civil Appeal No. 5552 of 2007

[2007] 12 SCR 601 | 2007-11-27

Whether exemption under sections 11 and 12 could be claimed without section 12A registration, and how the main assessment appeals should proceed while the registration refusal remained under appeal.

10(20) | 11(1)(a) | 12 | 12A | 260A

Two-judge bench | Ashok Bhan, J. | Altamas Kabir, J.

Assessment years: 1977-78, 1980-81, 1984-85

No underlying merits decision; conditional revival preserved

Both sides' appeals were dismissed without deciding the underlying merits because registration had not been granted. The Tribunal was to decide registration first; the main assessment remand remained in abeyance, and final registration success could support assessee revival with automatic revival of the Revenue appeals. The 9433/9333 appeal-number inconsistency is preserved as a caution. Later registration/revival, comprehensive later treatment and current-law/2025-Act mapping are unverified.

01 FACTS OF THE CASE

The Corporation, constituted under the U.P. Forest Corporation Act, 1974, had a long history of local-authority and charitable-exemption litigation. Following the earlier Supreme Court remand, the assessing authority taxed the incomes for AYs 1977-78, 1980-81 and 1984-85 after rejecting charitable status. The Commissioner (Appeals) granted some additions/deductions relief, the Tribunal reversed that relief on its understanding of the limited remand, and the High Court remitted the matter for fresh consideration. Both sides brought appeals (paragraphs 2–6 and 9–10).

Separately, the Corporation applied for registration on 11 July 1988. A 1997 rejection was later set aside for want of a hearing; after reconsideration the Commissioner again refused registration. An appeal against that refusal remained pending before the Tribunal. The Corporation thus had not been granted section 12A registration when these main assessment appeals were heard (paragraphs 7–8 and 12).

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

02 DISCUSSION BY THE HON'BLE COURT

Reading sections 11, 12 and 12A together, the Court treated registration under the applicable historical provision as a condition precedent to the claimed exemption. It reproduced the then-relevant application requirement and discretion for belated applications, and referred to Form 10A and Rule 17A. As registration had not been granted, the Corporation could not presently claim exemption under sections 11(1)(a) and 12 (paragraphs 11–12).

That threshold conclusion did not decide whether the Corporation's objects and activities were charitable or settle the contested additions and deductions. The Court expressly dismissed the Corporation's appeals without deciding the merits; it also dismissed the Revenue's appeals and directed priority disposal of the pending registration appeals uninfluenced by findings in the impugned High Court order (paragraphs 13–14).

The judgment preserved the procedural route back to the merits. If registration proceedings were finally decided in the Corporation's favour, it could seek revival of these appeals; reopening at its instance would automatically revive the Revenue's appeals too. All questions were left open, and the High Court's remand in the main assessments was kept in abeyance until the Tribunal finally decided registration (paragraphs 15–16).

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

03 JUDICIAL DECISION

Both the Corporation's and the Revenue's appeals were dismissed without a decision on the underlying merits, with no costs. The pending registration appeals were to be decided expeditiously on priority; the main assessment remand was suspended in the meantime. A final favourable registration decision would permit the Corporation to seek revival, which would automatically revive the Revenue appeals as well (paragraphs 13–17).

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

04 OUTCOME / IN WHOSE FAVOUR

In whose favour: Neither side on underlying merits; Revenue's registration-prerequisite position sustained

Both sides' appeals dismissed without merits; priority registration decision directed; main assessment remand held in abeyance; conditional revival preserved; no costs

Threshold registration prerequisite decided; charitable status, assessment disputes and other merits expressly left open

No registration granted by this judgment and no final merits rejection of charitable objects. Assessee revival depends on final success in registration proceedings; Revenue revival follows reopening at the assessee's instance. Subsequent registration/revival outcome not verified.

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

05 AKHB REVIEW POINT

Do not label this as an unqualified Revenue victory on charitable status or as an order granting exemption. Track the registration proceeding and the main assessments separately: the Supreme Court imposed a prerequisite, paused the assessment remand and preserved a conditional route back to both sides' merits appeals. Merely finding a registration application in the file would not reproduce the position of an institution already granted registration.

The quoted application deadlines and belated-admission discretion belong to the historical provision reproduced by the Court. The limited AUDA comparison checked here, paragraph 27 and paragraph 253(A), (B) and (H), concerns later section 2(15) amendments and year-specific general-public-utility assessment. It neither resolves this Corporation's registration appeal nor establishes that its activities qualify under an environmental or other charitable head. The later registration outcome, revival and comprehensive subsequent treatment remain unverified.

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

PROPOSITION-SPECIFIC SOURCE PARAGRAPHS AND PDF PAGES

1.

Topic: Identity and appeal-number discrepancy

Source url: [Open cited source](#)

Pdf pages: 1; 2; 3

Paragraphs: Cover; formal appeal list; 1–2

Source role: reported metadata and judicial text

2.

Topic: Earlier litigation and assessment history

Source url: [Open cited source](#)

Pdf pages: 3; 4; 5; 6

Paragraphs: 2–10

Source role: judicial text

3.

Topic: Pending registration refusal and prerequisite

Source url: [Open cited source](#)

Pdf pages: 5; 6; 7

Paragraphs: 7–8, 11–12

Source role: judicial text

4.

Topic: Dismissal without merits, priority, abeyance and conditional revival

Source url: [Open cited source](#)

Pdf pages: 7

Paragraphs: 13–17

Source role: judicial text

5.

Topic: Bounded later statutory and yearly-assessment context

Source url: [Open cited source](#)

Pdf pages: 48; 49; 160; 161; 162; 164

Paragraphs: 27; 253(A), (B), (H)

Source role: bounded statutory comparison judicial text

ADDITIONAL STATUTORY CONTEXT, NOT SEPARATE HOLDINGS

10(20): Earlier local-authority litigation supplies the procedural history, not a new local-authority ruling in this decision

11(1)(a) / 12: Exemption claimed as a charitable institution; underlying charitable and assessment merits left undecided

12a: Historical registration condition and pending registration appeal are central

260a: High Court appeal route in the proceedings below

JUDICIAL AUTHORSHIP AND SEPARATE OPINIONS

Ashok Bhan, J.

ACT IDENTIFIED IN THE REVIEWED SOURCE

Income-tax Act, 1961

SOURCE & VERIFICATION

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

Identified source rendition: 7 PDF pages; SHA-256

b4ff25f52c3884af0588d119a909fa17845ca3166d4301aae84a953f2907bb62. Original bytes preserved.

Judicial paragraphs 1–17 on physical pages 3–7 (SCR 603–607), fully read. Pages 1–2 and opening of page 3 are reporter/editorial material. No adjacent judgment.

[Open cited source rendition](#)

Paragraph 9 identifies these main assessment years. AY 1976-77 is earlier litigation history in paragraph 2; no new merits adjudication of that year is inferred.

The formal appeal list on physical page 2 gives 9433/2003, while paragraph 2 on page 3 prints 9333/2003. The note records the formal list and flags the discrepancy rather than silently correcting the PDF.; The earlier local-authority decisions and the assessing authority's adverse charitable-status finding are procedural history. They are not a fresh Supreme Court merits holding in this judgment.; The reporter's short phrase "appeals dismissed" omits material qualifications unless read with judicial paragraphs 13–16: no underlying merits decision, priority registration determination, abeyance and conditional revival.; The section 12A and Rule 17A discussion is historical. It is not a present-day registration procedure or a ruling that later registration automatically supplies retrospective relief for every year.; AUDA is used only for bounded later statutory context; it is not presented as direct subsequent disposition of these appeals.

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. No comprehensive subsequent judicial or statutory audit. Any actually checked comparison is narrowly identified; no current-law or 2025-Act certification.

IDENTIFIED SOURCE LINKS

[reported judgment - PDF pages: 7](#)

SHA-256: b4ff25f52c3884af0588d119a909fa17845ca3166d4301aae84a953f2907bb62

[bounded statutory comparison judgment - PDF pages: 167](#)

SHA-256: ce01d61aa3407595bfb6be88f23d9fdddebaf44352576b5afa75c227eed65d54

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