

Commissioner of Income-tax, West Bengal v Jeewanlal Ltd.

Civil Appeal No. 78 of 1952

[1954] SCR 189 | 1953-10-08

Excess Profits Tax Act, 1940, section 2(21) and section 21

Excess Profits Tax Act, 1940, section 2(21) and section 21 | Indian Income-tax Act, 1922, section 66

5-judge bench | Patanjali Sastri CJI | S. R. Das J. (author) | Vivian Bose J. | Ghulam Hasan J. | N. H. Bhagwati J.

Scope and outcome limits

No current-law clearance. Body states section 2(21); headnote OCR shows 2(11), not adopted.

01 FACTS OF THE CASE

A Canadian company held almost all shares in the assessee and authorised a director to vote for it. The assessee claimed the higher standard-profit percentage available to director-controlled companies.

Source: [Primary report: SCR 190-192](#)

02 DISCUSSION BY THE HON'BLE COURT

Did the director's authority to vote the corporate shareholder's shares give the directors a controlling interest? Registered shareholders with majority voting power could possess controlling interest even as trustees. A voting agent was different: no legal or beneficial share interest passed to him, his authority was revocable, and his votes remained the principal's. Control therefore remained with the Canadian shareholder.

Source: [Primary report: SCR 192-194; SCR 192-195](#)

03 JUDICIAL DECISION

Revenue's appeal was allowed; the reference was answered negatively, with costs in both courts.

Source: [Primary report: SCR 195](#)

04 OUTCOME / IN WHOSE FAVOUR

Revenue's appeal was allowed; the reference was answered negatively, with costs in both courts.

Source: [Primary report: SCR 195](#)

05 AKHB REVIEW POINT

Distinguish holding voting shares from exercising another shareholder's revocable voting authority. This addresses the historical excess-profits-tax definition and does not determine modern beneficial ownership or control tests.

Source: [Primary report: SCR 193-195](#)

SOURCE & VERIFICATION

[Supreme Court Reports primary scan — public eSCR mirror](#)

Seven pages / SCR 189-195; target ends before Allahabad Bank caption on last page.

[Open cited source rendition](#)

STATUTORY SCOPE

Historical statutory text and assessment period only. Present statutory equivalence and later judicial treatment are not cleared.

LATER TREATMENT

Source checked 2026-10-18. Subsequent treatment and current-law applicability have not been comprehensively checked.

AI DISCLOSURE

This AKHB research note was prepared with AI assistance from an identified primary report. Independent human review is not represented.

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