General Family Pension Fund v. Commissioner of Income-tax, West Bengal

Civil Appeal 144 of 1953

[1955] 1 SCR 822 | 1954-11-01

Income-tax Act 1922, sections 10(7), 66(1), Schedule rules 2(a), 2(b), 5(ii)

Income-tax Act 1922, sections 10(7), 66(1), Schedule rules 2(a), 2(b), 5(ii) | Insurance Act 1938, section 2(11)

5-judge bench | Mehr Chand Mahajan C.J. | S. R. Das | Ghulam Hasan | Bhagwati | Venkatarama Ayyar

Historical statutory scope and outcome limits

The first referred question was not in issue in this appeal. Historical statutory setting; no later-treatment or current-law clearance is claimed.

01 FACTS OF THE CASE

The company granted life-dependent pensions and annuities. The officer computed actuarial surplus under rule 2(b) and adjusted that figure to estimate rule 2(a) income, rather than independently determining external incomings and expenses.

Source: Primary report: SCR 823–826

02 DISCUSSION BY THE HON'BLE COURT

The two statutory computations had to be made independently and the higher adopted. The Tribunal had not found that requested records were withheld; a departmental representative's assertion was not a Tribunal finding. Therefore the High Court could not replace the Tribunal's factual basis in reference jurisdiction.

Source: Primary report: SCR 827–828

03 JUDICIAL DECISION

Appeal allowed; the second referred question answered negatively and the Tribunal's further-enquiry course restored. The officer must ascertain profits under rule 2; parties bear their respective costs in both courts.

Source: Primary report: SCR 828–829

04 OUTCOME / IN WHOSE FAVOUR

Assessee obtained remand.

Source: Primary report: SCR 828–829

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05 AKHB REVIEW POINT

A computation shortcut needs an established factual justification. This was a remand for proper insurance-business computation, not a determination that the taxpayer's figures were correct.

Source: Primary report: SCR 827–829

SOURCE & VERIFICATION

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STATUTORY SCOPE

Historical predecessor legislation only; this is not a decision applying the Income-tax Act, 1961. Verify the applicable statutory text separately.

LATER TREATMENT

Source checked 2026-10-21. 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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