Oriental Investment Co. Ltd. v. Commissioner of Income-tax, Bombay

Civil Appeal 153 of 1954

[1958] SCR 49 | 1957-05-22

Historical interpretation: Indian Income-tax Act 1922, sections 66(1) and 66(2)

Indian Income-tax Act 1922, sections 66(1) and 66(2)

3-judge bench | N. H. Bhagwati | S. K. Das | J. L. Kapur

Historical statutory scope and source qualifications

Reference/remand on a substantive legal classification issue; no final investor finding. Current law not checked.

01 FACTS OF THE CASE

Investment company challenged dealer classification and taxation of share/property disposals. The Tribunal relied on memorandum objects and prior dealer claims, then refused reference; the High Court also refused.

Source: Primary report: SCR 50–54

02 DISCUSSION BY THE HON'BLE COURT

Dealer versus investor classification involves applying legal characteristics to facts, a mixed question. Memorandum authority alone does not establish trading, and no-evidence or legally misdirected factual conclusions may be reviewable.

Source: Primary report: SCR 55–64

03 JUDICIAL DECISION

Appeal allowed and High Court order set aside; remitted for directing Tribunal to state two questions concerning supporting material and taxability as business profits. Costs of proceedings so far awarded to appellant.

Source: Primary report: SCR 64

04 OUTCOME / IN WHOSE FAVOUR

Assessee obtained reference and remand; investor status and ultimate exemption were not finally adjudicated.

Source: Primary report: SCR 64

05 AKHB REVIEW POINT

Distinguish enabling company objects, actual activity and legal inference. This decision only required stated questions to be answered. The later 1968 Oriental Investment decision already in the repository is a separate decision and must not be merged as this date.

Source: Primary report: SCR 63–64

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SOURCE & VERIFICATION

Supreme Court Reports primary scan — public eSCR mirror

Complete 16-page Supreme Court Reports scan. Any adjoining report fragments remain in the unchanged original and are excluded from this analysis.

Open cited source rendition

STATUTORY SCOPE

Historical legislation expressly identified in this note. This is not a decision under the Income-tax Act, 1961 or the Income-tax Act, 2025. Verify enacted wording, commencement, transition and subsequent judicial treatment independently before modern reliance.

LATER TREATMENT

Source checked 2026-10-23. Subsequent treatment and present-law applicability have not been comprehensively checked.

AI DISCLOSURE

This AKHB research note uses AI assistance and a preserved full-primary review, with refreshed exact original-byte verification. Independent human review is not represented.

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