Mrs. Kusumben D. Mahadevia v. Commissioner of Income-tax, Bombay

Civil Appeal No. 507 of 1957

[1960] 3 SCR 417 | 1960-03-30

Historical interpretation: Indian Income-tax Act, 1922: section 66

Indian Income-tax Act, 1922: section 66 | Merged States (Taxation Concessions) Order, 1949: paragraph 4

3-judge bench | S. K. Das | J. L. Kapur | M. Hidayatullah

Historical statutory scope and source qualifications

Procedural/reference-jurisdiction final appeal with remand; substantive tax question unresolved. Current treatment not checked.

01 FACTS OF THE CASE

The shareholder received dividends declared payable at Navsari from accumulated company profits and claimed the Merged States concession. The Tribunal held that the income accrued in British India. The High Court instead reframed the reference and decided the separate applicability of the concession order.

Source: Primary report: SCR 418–421

02 DISCUSSION BY THE HON'BLE COURT

Section 66 confined the reference to a question arising from the Tribunal's order. Amplifying approaches to the same question differed from deciding a separate question the Tribunal had never considered. Place of accrual and applicability of the concession order were not coextensive.

Source: Primary report: SCR 421–423

03 JUDICIAL DECISION

The High Court exceeded its reference jurisdiction. Its order was set aside and the case remitted to answer the question actually framed by the Tribunal.

Source: Primary report: SCR 423

04 OUTCOME / IN WHOSE FAVOUR

The assessee appeal was allowed and the case remitted. Costs were to abide the eventual reference result; no substantive exemption was granted by this judgment.

Source: Primary report: SCR 423

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05 AKHB REVIEW POINT

Compare the precise referred question with the Tribunal's reasoning before reframing it. This is final disposal of a reference-jurisdiction appeal with a remand, not final adjudication of the dividend exemption or its place of accrual.

Source: Primary report: SCR 420–423

SOURCE & VERIFICATION

Supreme Court Reports primary scan — public eSCR mirror

Complete 7-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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