

Commissioner of Income-tax v. Shapoorji Pallonji Mistry

Civil Appeal No. 420 of 1961

[1962] 3 SCR 171 | 1962-02-14

Appellate enhancement: a new income source outside the return and assessment could not originate before the appellate authority.

Indian Income-tax Act, 1922: sections 31(2), 31(3), 33B, 34, 66(1) and 66A(2)

3-judge bench; unanimous judgment delivered by M. Hidayatullah, J. | S. K. Das, J. | M. Hidayatullah, J. | J. C. Shah, J.

Assessment years: 1947-48

Historical statutory setting

Historical section 31 appellate power; no automatic mapping to current section 251 or other present provisions.

Source and scope caution

The substantive character of the Rs.40,000 receipt remained undecided.

No current-law clearance

Later judicial treatment and current statutory applicability have not been comprehensively checked; no current-law or citator clearance is represented.

01 FACTS OF THE CASE

The assessee received Rs.40,000 that the officer intended to consider in assessment year 1947-48 but then overlooked. During the assessee's appeal the officer asked the Appellate Assistant Commissioner to add it as revenue income, and the appellate authority did so (SCR pp.171-174; PDF pp.1-4).

Source: [Primary judgment: facts](#)

02 DISCUSSION BY THE HON'BLE COURT

Although section 31 conferred broad power over matters processed in assessment, settled construction did not permit the appellate authority to originate assessment of a wholly different source. Revision and escaped-income provisions supplied the proper procedures, preserving an initial factual decision and appellate tier (SCR pp.174-179; PDF pp.4-9).

Source: [Primary judgment: discussion](#)

03 JUDICIAL DECISION

Revenue's appeal was dismissed without costs; the Bombay High Court's jurisdictional answer stood (SCR p.179; PDF p.9).

Source: [Primary judgment: decision](#)

04 OUTCOME / IN WHOSE FAVOUR

In favour of the assessee only on appellate jurisdiction; the Court did not decide whether the Rs.40,000 was capital or revenue (SCR pp.173, 179; PDF pp.3, 9).

Source: [Primary judgment: outcome](#)

05 AKHB REVIEW POINT

AKHB analysis: distinguish enhancement of an assessed source from introduction of a new source. Identify what the return and assessing officer actually considered, and use the applicable reassessment, revision or remand route for omitted sources.

Source: [Primary judgment: review point](#)

SOURCE & VERIFICATION

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

Full 9-page SCR asset read and visually inspected.

[Open cited source rendition](#)

Catalogue source S_1962_3_171_179: SHA-256

054b70e398620f50c621b3017fb6e351a4cb71a9da652a38c926b1c66c89a55e, 9 pages, read and visually inspected in full.

The published original preserves the exact catalogue bytes and verified hash.

The source verifies identity, bench, provisions, opinion structure and operative order.

No exact source-hash, asset-ID, SCR-citation, docket or same-judgment publication match was found.

STATUTORY SCOPE

Historical section 31 appellate power; no automatic mapping to current section 251 or other present provisions.

LATER TREATMENT

Source checked 2026-10-11. Later judicial treatment and current statutory applicability have not been comprehensively checked; no current-law or citator clearance is represented.

AI DISCLOSURE

This AKHB research note was prepared with AI assistance from the identified primary report and has not been represented as independently human-reviewed.

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