

Commissioner of Income-tax, Bombay City I v. Amarchand N. Shroff, by His Heirs and Legal Representatives

Civil Appeals Nos. 15 to 19 of 1962

[1963] Supp. 1 SCR 699 | 1962-10-23

Whether cash-basis professional fees received after a solicitor's death could be assessed as the deceased's income in the hands of legal representatives under section 24B

Indian Income-tax Act, 1922: section 24B

Three-judge bench; judgment delivered by J. L. Kapur, J. | J. L. Kapur, J. | M. Hidayatullah, J. | J. C. Shah, J.

Historical ruling; verify current law

This is a 1922 Act succession rule for a cash-basis professional practice. Do not transfer its result to the present Act without checking the governing deeming and succession provisions.

01 FACTS OF THE CASE

A solicitor using the cash system died on 7 July 1949. His legal representatives later collected professional fees outstanding at death. The Department assessed those receipts for five assessment years as the deceased's income under section 24B; the High Court answered the reference in favour of the legal representatives.

Source: [Primary judgment: facts and procedural setting](#)

02 DISCUSSION BY THE HON'BLE COURT

Section 24B deemed the deceased to have received income only for completing assessment of income received before death and in the previous year. The Court refused to extend that fiction beyond its stated purpose. Receipts that had not become income on the cash basis during the deceased's lifetime were not converted into his posthumous income merely because the legal representatives later collected them.

Source: [Primary judgment: reasoning](#)

03 JUDICIAL DECISION

The post-death receipts were not assessable as the deceased's income in the hands of the heirs under section 24B.

Source: [Primary judgment: holdings](#)

04 OUTCOME / IN WHOSE FAVOUR

Revenue appeals dismissed with costs; the Bombay High Court's answer remained in force.

Source: [Primary judgment: operative disposition](#)

05 AKHB REVIEW POINT

AKHB analysis: apply a statutory legal fiction only for the purpose and period for which it was enacted. In succession files, align the accounting method, date of receipt, date of death and exact charging/deeming provision before attributing income.

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

SOURCE & VERIFICATION

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

Complete 12-page SCR report read in page-preserving text and every page image inspected, from the reported opening page through the operative disposition.

[Open cited source rendition](#)

Exact catalogue SHA-256 and 12-page count verified; every page was read and visually inspected.

STATUTORY SCOPE

Historical statutory provisions are described as they appeared in the report. Verify the current enactment, amendments and later judicial treatment before reliance.

LATER TREATMENT

Source checked 2026-10-12. No comprehensive later-treatment or present-law clearance is represented. The note reports the historical statutory text and result in this primary report only.

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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General legal and tax research only; not legal or tax advice. Verify the complete judgment, governing statutory version and subsequent judicial treatment before reliance. The AKHB REVIEW POINT is editorial analysis, not the Court's holding, and no current-law clearance is claimed.