

Netherlands Steam Navigation Company Ltd. v. Commissioner of Income-tax, West Bengal

Civil Appeals Nos. 1622-1626 of 1968

[1970] 1 SCR 1 | 1969-03-14

Non-resident shipping computation: additional depreciation could not be appended to a different accepted rule 33 formula.

Indian Income-tax Act, 1922: sections 4(1), 10 and 10(2)(vi-a) | Income-tax Rules, 1922: rule 33

2-judge bench; unanimous judgment delivered by J. C. Shah, J. | J. C. Shah, J. | V. Ramaswami, J.

Assessment years: 1952-53 to 1956-57

Historical statutory setting

Historical rule 33 and additional depreciation do not determine current section 32, section 44B or treaty attribution.

Fact, opinion and procedural limits

Apply the holding only within the facts, statutory text, opinion structure and procedural posture described in the primary report.

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 non-resident shipping company returned Indian income without producing world-income particulars. The officer used a special Indian-trade formula and refused additional depreciation for ships not introduced into Indian trade when new (SCR pp.1-4; PDF pp.1-4).

Source: [Primary judgment: facts](#)

02 DISCUSSION BY THE HON'BLE COURT

Rule 33 offered alternative methods. Its second method required world profits computed under the Act, including allowances, before apportionment; that method was not used. The company could not accept another empirical formula and then append an allowance belonging to the unchosen world-profit method. The un-referred validity of the formula remained undecided (SCR pp.5-8; PDF pp.5-8).

Source: [Primary judgment: discussion](#)

03 JUDICIAL DECISION

All five appeals were dismissed with costs and one hearing fee (SCR p.8; PDF p.8).

Source: [Primary judgment: decision](#)

04 OUTCOME / IN WHOSE FAVOUR

In favour of Revenue, subject to the Court's reference-jurisdiction limit (SCR pp.7-8; PDF pp.7-8).

Source: [Primary judgment: outcome](#)

05 AKHB REVIEW POINT

AKHB analysis: identify the exact non-resident computation method actually used before adding an allowance. Preserve the advisory-jurisdiction limit: the Court did not generally approve the empirical formula (based on SCR pp.5-8; PDF pp.5-8).

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

SOURCE & VERIFICATION

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

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

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

STATUTORY SCOPE

Historical rule 33 and additional depreciation do not determine current section 32, section 44B or treaty attribution.

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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