

Commissioner of Wealth-tax, Calcutta, now West Bengal II v. Tungabhadra Industries Ltd., Calcutta

Civil Appeals Nos. 1629 to 1631 of 1968

[1970] 1 SCR 789 | 1969-08-08

Historical wealth-tax valuation of a running business and the Tribunal's duty after an appellate court answers the reference.

Wealth-tax Act, 1957: sections 7(1), 7(2)(a) and 27(6)

3-judge bench; unanimous judgment delivered by V. Ramaswami, J. | J. C. Shah, Acting C.J. | V. Ramaswami, J. | A. N. Grover, J.

Assessment years: 1957-58, 1958-59, 1959-60

Historical statutory setting

The case applies historical provisions of the Wealth-tax Act, 1957, since repealed for general wealth taxation; no current valuation regime is represented.

Fact and procedural limits

Apply the holding only within the facts, statutory text 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

For three years the officer valued the company's fixed assets at its own balance-sheet figures. The Tribunal substituted income-tax written-down values, and the High Court agreed, although the company had produced no material showing that those values represented actual value (SCR pp.789-792; PDF pp.1-4).

Source: [Primary judgment: facts](#)

02 DISCUSSION BY THE HON'BLE COURT

Section 7(2)(a) permitted whole-business valuation by reference to a regularly maintained balance sheet, with adjustments needed to reach true value. An assessee could prove inflation or a better written-down value, but bore that evidentiary burden. After the Supreme Court rejected the Tribunal's legal approach, section 27(6) required a rehearing with both parties heard (SCR pp.792-795; PDF pp.4-7).

Source: [Primary judgment: discussion](#)

03 JUDICIAL DECISION

The legal question was answered for Revenue and the Tribunal was directed to dispose of the case after rehearing in conformity with the judgment; no costs were ordered (SCR pp.794-795; PDF pp.6-7).

Source: [Primary judgment: decision](#)

04 OUTCOME / IN WHOSE FAVOUR

Revenue succeeded on valuation principle, but final fact application remained for the Tribunal on rehearing (SCR pp.793-795; PDF pp.5-7).

Source: [Primary judgment: outcome](#)

05 AKHB REVIEW POINT

AKHB analysis: distinguish accounting depreciation from evidence of actual asset value, and preserve the post-reference rehearing needed for fact application. Current valuation statutes and rules require independent analysis (based on SCR pp.793-795; PDF pp.5-7).

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

SOURCE & VERIFICATION

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

Full 7-page SCR source asset read in page-preserving text and visually inspected; adjacent-report boundaries were checked.

[Open cited source rendition](#)

Exact source bytes, SHA-256 and seven-page count match catalogue asset 1970_1_789_795; every page was read and visually inspected.

The source verifies the stated case identity, bench, statutory issue and operative order.

No exact source-hash, asset-ID, SCR-citation, docket or same-judgment match was found in the published corpus or reviewed archive.

STATUTORY SCOPE

The case applies historical provisions of the Wealth-tax Act, 1957, since repealed for general wealth taxation; no current valuation regime is represented.

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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