IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 28.11.2018

CORAM:

THE HON'BLE MR. JUSTICE T.S.SIVAGNANAM
and
THE HON'BLE MR. JUSTICE N.SATHISH KUMAR

T.C.A.No.233 of 2011

Shriram Chits Tamilnadu (P) Ltd.,
No.149, Greams Road,
Mount Road, Chennai - 6.
...Appellant

Vs

The ACIT, Income Tax Officer,
Company Circle VI(2),
No.121, Nungambakkam High Road,
Chennai - 600 034.
...Respondent

Tax Case Appeal is filed under Section 260-A of the Income Tax Act, 1961 (for brevity 'the Act') against the order of the Income Tax Appellate Tribunal, Chennai 'C' Bench, dated 15.03.2011 in ITA No.1661/Mds/2010.

And against the Commissioner of Income Tax(Appeals)-V, Chennai 34 and made in I.T.A.No.358/2009-10 dated 18.08.2010 and against Income Tax Department PAN No.AABCS0167N, Circle Company Circle-VI(2) in the Assessment year 2007-08.

For Appellant : Mr.R.Sivaraman

For Respondent : Mr.T.R.Senthil Kumar
learned senior standing counsel

JUDGMENT
(Judgment of the Court was delivered by
T.S.SIVAGNANAM, J.)

This Tax Case Appeal is filed by the assessee under Section 260-A of the Income Tax Act, 1961 (for brevity 'the Act') against the order of the Income Tax Appellate Tribunal, Chennai 'C' Bench, dated 15.03.2011 in ITA No.1661/Mds/2010.

2.Heard Mr.R.Sivaraman, learned counsel for the appellant and Mr.T.R.Senthil Kumar, learned Senior Standing Counsel for the respondents.

3. This tax case appeal filed by the assessee has been admitted on the following substantial question of law:

> "Whether in law, the dividends received by the appellant as a chit subscriber, is exempt from taxation on grounds of mutuality between all the chit subscribers including the appellant?"

4. Identical question was considered by this Court in a batch of cases in respect of assessee's sister concern engaged in identical business activity in T.C.(A).Nos.141 of 2004 etc., batch dated 30.03.2012 (Shriram Chits & Investments (P) Ltd., and others vs. The Assistant Commissioner of Income Tax and others).

5. The Division Bench of this Court, by the said judgment, rejected the said question on the ground that the assessee has not made any serious argument and thus, given up the said question regarding mutuality.

6. Thus, following the decision of the Hon'ble Division Bench of this Court in the aforementioned judgement in the case of the sister concern of the petitioner rejecting the identical question, we dismiss this appeal and answer the Substantial Question of Law against the assessee. No costs.

Sd/-
Assistant Registrar(CO)

//True Copy//

Sub Assistant Registrar

mrm

To

1. The Income Tax Appellate Tribunal, 'C' Bench, Chennai.

2. The Commissioner of Income Tax (Appeals)-V, Chennai 34.

+1 cc to Mr.T.R.Senthilkumar, Advocate Sr.No.81298

T.C.(A).No.233 of 2011

RR9CO)
CSL/26.12.2018