



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 16.06.2021

CORAM:

THE HONOURABLE MR.JUSTICE S.M.SUBRAMANIAM

W.P.Nos.6266, 6379, 6380, 6388 & 6426 to 6428 of 2010
and M.P.Nos.1 to 1 of 2010

- 1 ALL INDIA STATE BANK OFFICERS FEDERATION
[REGN. NO.727/MDS]
REP. BY ITS DEPUTY GENERAL SECRETARY, MR.D.SURESH KUMAR,
OLD NO.22, NEW NO.84, RAJAJI SALAI,
CHENNAI 600 001

... PETITIONER in WP No.6266 of 2010

- 1 LAKSHMI VILAS BANK EMPLOYEES ASSOCIATION
REP. BY ITS GENERAL SECRETARY MR.P.RAMACHANDRAN
NO.441-A/751A JAWAHAR BAZAAR
KARUR.

... PETITIONER in WP No.6379 of 2010

- 1 ALL INDIA STATE BANK OF INDIA STAFF FEDERATION
REP. BY ITS ASSISTANT SECRETARY MR.C.M.BASKARAN
OLD NO.22 NEW NO.84 RAJAJI SALAI
CHENNAI-1.

... PETITIONER in WP No.6380 of 2010

- 1 STATE BANK OF INDIA OFFICERS
ASSOCIATION (CHENNAI CIRCLE) (REGN.NO.2/MDS)
REP. BY ITS GENERAL SECRETARY MR.D.S.RISHABDAS
OLD NO.22 NEW NO.84 RAJAJI SALAI
CHENNAI-1.

... PETITIONER in WP No.6388 of 2010

- 1 STATE BANKS STAFF UNION CHENNAI CIRCLE
REP. BY ITS GENERAL SECRETARY MR.C.M.BASKARAN
OLD NO.22 NEW NO.84 RAJAJI SALAI
CHENNAI-1.

... PETITIONER in WP No.6426 of 2010



- 1 CANARA BANK OFFICERS ASSOCIATION REG.NO.6485/71
REP. BY ITS DEPUTY GENERAL SECRETARY MR.V.MATHIVANAN
NO.216 ROYAPETTAH HIGH ROAD
CHENNAI-14.

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... PETITIONER in WP No.6427 of 2010

- 1 THE FEDERAL BANK EMPLOYEES UNION REGN.NO.324 OF 1984
REP. BY ITS EXECUTIVE COMMITTEE MEMBER MR.D.SARAVANAN
NO.1 BHIMA SENA GARDEN STREET
MYLAPORE CHENNAI-4.

... PETITIONER in WP No.6428 of 2010

Vs.

- 1 UNION OF INDIA
REP. BY ITS SECRETARY TO GOVERNMENT,
MINISTRY OF FINANCE, NEW DELHI.
- 2 THE CENTRAL BOARD OF DIRECT TAXES,
NORTH BLOCK, NEW DELHI 110 001.
- 3 THE CHIEF COMMISSIONER OF INCOME TAX,
AYAKAR BHAVAN, NUNGAMBAKKAM,
CHENNAI 600 034.

... RESPONDENTS 1 TO 3 in WPS No.6266, 6379,
6380, 6388, 6426, 6427 & 6428 of 2010

- 4 THE STATE BANK OF INDIA,
REP. BY ITS CHAIRMAN,
SBI CORPORATE CENTRE,
MADAM CAMA ROAD, MUMBAI.

... RESPONDENT 4 in WPS No.6266,
6380, 6388 & 6426 of 2010

- 1 LAKSHMI VILAS BANK
REP. BY ITS MANAGING DIRECTOR
ADMINISTRATIVE OFFICE KATHAPARAI
KARUR - 639 006.

... 4th RESPONDENT in WP No.6379 of 2010

- 1 CANARA BANK
REP. BY ITS CHAIRMAN AND MANAGING DIRECTOR
112 J.C.ROAD BANGALORE-560002.

... 4th RESPONDENT in WP No.6427 of 2010



1 THE FEDERAL BANK LIMITED
REP. BY ITS CHAIRMAN
REGISTERED OFFICE: FEDERAL TOWERS
ALUVA-638101 KERALA STATE.

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... 4th RESPONDENT in WP No.6428 of 2010

1 STATE BANK OF INDIA (CHENNAI CIRCLE)
REP. BY ITS CHIEF GENERAL MANAGER SBI,
LOCAL HEAD OFFICE, 16, COLLEGE LANE,
NUNGAMBAKKAM, CHENNAI - 6.

... 5th RESPONDENT in WPS No.6388
of 2010 & 6426 of 2020

1 THE FEDERAL BANK LIMITED
REGIONAL OFFICE: BHATTAD TOWERS
30 WEST COTT ROAD ROYAPETTAH
CHENNAI - 14.

... 5th RESPONDENT in WP No.6428 of 2010

Prayer:-

These Writ Petitions are filed under Article 226 of the
Consitution of India, to issue a Writ of Declaration,

W.P.No.6266 of 2010:-

Declaring that Section 17(2)(vi) and Rule 3(7)(i) of the
Income Tax Rules and the consequential Circular dated 19.03.2010
(Circular No.CDO/P&HRD-PM/76/2009-10) issued by the
4th respondent as unconstitutional, ultra vires the Income Tax
Act and therefore, null and void.

W.P.No.6379 of 2010:-

Declaring that Section 17(2)(vi) of the Income Tax Act as
well as Rule 3(7)(i) of the Income Tax Rules and also
sub-para(3) of Para.3 of Annexure 1 of Circular dated
27/01/2010, issued by the 4th Respondent are unconstitutional,
ultra vires of the Income Tax Act, and therefore null and void.

W.P.No.6380 of 2010:-

Declaring that Section 17(2)(vi) and Rule 3(7)(i) of the
Income Tax Rules and the consequential Circular dt. 19.3.2010
(Circular No.CDO/P&HRD-PM/76/2009-10) issued by the
4th Respondent as unconstitutional, and therefore null and void.



W.P.No.6388 of 2010:-

Declaring that Section 17(2)(vi) and Rule 3(7)(i) of the Income Tax Rules and the consequential Circular dt. 19.3.2010 (Circular No. CDO/P&HRD-PM/76/2009-10) issued by the 4th Respondent as unconstitutional, and therefore null and void.

W.P.No.6426 of 2010:-

Declaring that Section 17(2)(vi) and Rule 3(7)(i) of the Income Tax Rules and the consequential Circular dt. 19.3.2010 (Circular No. CDO/P&HRD-PM/76/2009-10) issued by the 4th Respondent as unconstitutional, and therefore null and void.

W.P.No.6427 of 2010:-

Declaring that Section 17(2)(vi) of the Income Tax Act as well as Rule 3(7)(i) of the Income Tax Rules and also Circular No.1/2010 dated 09/01/2010 issued by the 4th Respondent are unconstitutional, ultra vires the Income Tax Act, and therefore null and void.

W.P.No.6428 of 2010:-

Declaring that Rule 3(7)(i) of the Income Tax Rules and also sub-para A of Para.15 of Circular dated 18/02/2010 issued by the 4th Respondent are unconstitutional, ultra vires the Income Tax Act, and therefore null and void.

(In W.P.Nos.6266, 6379 & 6380 of 2010)

For Petitioner : Mr.Srinath Sridevan

For Respondents : M/s.Hemamurali Krishnan(For R1 to R3)
Senior Standing Counsel for IT

Mr.S.Sethuraman(For R4)

(In W.P.Nos.6388 & 6426 of 2010)

For Petitioner : Mr.Srinath Sridevan

For Respondents : M/s.Hemamurali Krishnan(For R1 to R3)
Senior Standing Counsel for IT

Mr.S.Sethuraman (For R4 & R5)



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(In W.P.No.6427 of 2010)

For Petitioner : Mr.Srinath Sridevan

For Respondents : M/s.Hemamurali Krishnan(For R1 to R3)
Senior Standing Counsel for IT

Mr.P.Raghunathan (For R4)
for M/s.T.S.Gopalan & Co.

(In W.P.No.6428 of 2010)

For Petitioner : Mr.Srinath Sridevan

For Respondents : M/s.Hemamurali Krishnan(For R1 to R3)
Senior Standing Counsel for IT

Mr.M.Vaidyanathan (For R4 & R5)

C O M M O N O R D E R

The issues involved in all these Writ Petitions were considered by the Hon'ble Division Bench of this Court and order was passed on 16.02.2021 in W.P.Nos.5657 and 5658 of 2010, which reads as under:

"These two petitions, according to the petitioners, were mistakenly left out from the batch of petitions which was decided by a common judgment and order of April 20, 2016 in the batch led by W.P.No.10053 of 2008.

2. Upon special leave petitions being carried, the Supreme Court by order dated February 27, 2017, has directed notice to be issued and has granted interim protection by restoring the interim order that had been passed by this Court and remained in force till the batch of writ petitions was disposed of.

3. In view of the judgment of the Coordinate Bench rendered on April 20, 2016 (reported at 385 ITR 114), the present writ petitions are disposed of on the same lines. However, in view of the subsequent stay granted by the Supreme Court by the order dated February 27, 2017, it is directed that notwithstanding the dismissal of the writ petitions, for the reasons indicated in the order



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dated April 20, 2016, the interim protection granted during the pendency of these petitions will continue until appropriate orders are passed by the Supreme Court.

4. W.P.Nos.5657 and 5658 of 2010 are disposed of without any order as to costs. Consequently, M.P.No.1 of 2010 is closed."

2. Accordingly, the interim protection granted during the pendency of these Writ Petitions will continue until appropriate orders are passed by the Hon'ble Supreme Court of India.

3. Thus, these Writ Petitions are disposed. No costs.

Sd/-
Assistant Registrar(CS VII)

//True Copy//

Sub Assistant Registrar

gsa

To

1. The Secretary to Government,
Union of India,
Ministry of Finance,
New Delhi.
2. The Central Board of Direct Taxes,
North Block,
New Delhi 110 001.
3. The Chief Commissioner of Income Tax,
Ayakar Bhavan,
Nungambakkam,
Chennai 600 034.
4. The Chairman,
The State Bank of India,
SBI Corporate Centre,
Madam Cama Road, Mumbai.
5. The State Bank of India (Chennai Circle),
Rep. by its Chief General Manager,
SBI, Local Head Office,
16, College Lane, Nungambakkam,
Chennai - 600 006.



6. The Chairman and Managing Director,
Canara Bank, 112, J.C.Road,
Bangalore - 560 002.

+4ccs to Mr.S.Sethuraman, Advocate, S.R.No.28411 to 28414
+1cc to M/s.T.S.Gopalan & Co, Advocate, S.R.No.28116
+1cc to M/s.Hemamurali Krishnan, Advocate, S.R.No.28029
+1cc to Mr.Srinath Sridevan, Advocate, S.R.No.28223

W.P.Nos.6266, 6379, 6380, 6388
& 6426 to 6428 of 2010

SKY (CO)
CT/23/07/2021