IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 22.02.2022

CORAM

THE HONOURABLE MR.JUSTICE R.MAHADEVAN
and
THE HONOURABLE MR. JUSTICE J.SATHYA NARAYANA PRASAD

T.C.A.No.262 of 2011

Shriram Chits Tamilnadu (P) Ltd.,
No.149, Greams Road,
Mount Road,
Chennai 600 006. .. Appellant/Appellant

Vs.

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

Tax Case Appeal filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal 'A' Bench, Chennai dated 03.12.2010 in ITA No.517/Mds/2010 for the assessment year 2006-07, against the order passed by the Commissioner of Income Tax(Appeals)V, Chennai-34, dated 26.02.2014 made in ITA.No.239/2008-09 and against the order passed by the Assistant Commissioner of Income Tax, Company Circle VI(2) Chennai-34, made in PAN/GIR NO.AABCS0167N dated 31/12/2008.

For Appellant : Mr.R.Sivaraman

For Respondent : Mr. J.Narayanasamy
Senior Standing Counsel

J U D G M E N T
(Judgment of the court was delivered by R.MAHADEVAN, J.)

This tax case appeal has been filed by the appellant / Assessee, challenging the order of the Income Tax Appellate Tribunal, 'A' Bench, Chennai, in I.T.A.No.517/Mds/2010 for the assessment year 2006-07.

2.By order dated 02.08.2011, this court admitted the aforesaid tax case appeal 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?"

3.When the matter was taken up for consideration, the learned counsel appearing for the appellant fairly submitted that the issue involved herein is covered by a decision of this court in T.C.A. Nos.641 and 642 of 2008, relating to the assessee's own case, in which, the very same substantial question of law raised therein, was decided against the assessee, by judgment dated 16.09.2015. For better appreciation, the relevant paragraph of the said decision is extracted below:

> "3.At the outset, it should be pointed out that the assessee is the Foreman in terms of the provisions of the Tamil Nadu Chit Funds Act, 1971. Keeping this in mind, if we have a look at the judgment of this Court in Shriram Chits and Investments (P) Limited Vs. the Assistant Commissioner of Income Tax (T.C.A.Nos.141 and 213 of 2004 and batch), decided on 30.08.2012, it can be seen that the very same question was raised as the third question of law in the said case. In paragraphs 33 and 34 of the judgment dated 30.08.2012, the very same question of law was answered against the assessee. Therefore, on that basis, these appeals are also dismissed. No costs."

4.Following the aforesaid decision, we answer the substantial question of law against the appellant / assessee and accordingly, dismiss this Tax case Appeal. No costs.

Sd/-
Assistant Registrar(CS-VIII)

// True Copy //

Sub Assistant Registrar

vkr

To

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

2.The Income Tax Appellate Tribunal 'A' Bench,
Chennai.

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

4.The Assistant Commissioner of Income Tax,
Company Circle VI(2),
Chennai-34.

T.C.A.No.262 of 2011

BS(CO)
CB(09/03/2022)