

V. Venugopala Varma Rajah v. Commissioner of Agricultural Income-tax, Trivandrum, Kerala

Civil Appeal No. 266 of 1969

[1972] 1 SCR 1000 | 1971-10-06

Agricultural income tax: family-property income applied to maintenance versus diversion by overriding title.

Kerala Agricultural Income-tax Act, 1950: section 9(1) | Indian Income-tax Act, 1922: section 16(1)(c) discussed

3-judge bench; unanimous judgment delivered by K. S. Hegde, J. | K. S. Hegde, J. | A. N. Grover, J. | H. R. Khanna, J.

Assessment years: 1959-60

Historical statutory setting

The decision applies historical Kerala agricultural-income-tax and 1922 Act concepts; current family, trust and diversion rules were not checked.

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

A 1909 family arrangement put properties in male members' possession for enjoyment while joint status, ultimate ownership, maintenance responsibilities and reversion to the Karnavan remained (SCR pp.1000-1005; PDF pp.1-6).

Source: [Primary judgment: facts](#)

02 DISCUSSION BY THE HON'BLE COURT

Income diverted before reaching the assessee may be excluded, but income applied after receipt to discharge an obligation remains taxable. The members received on the family's behalf and used the income for maintenance; the revocable arrangement did not confer an absolute property right (SCR pp.1005-1009; PDF pp.6-10).

Source: [Primary judgment: discussion](#)

03 JUDICIAL DECISION

The Court dismissed the assessee's appeal with costs (SCR p.1009; PDF p.10).

Source: [Primary judgment: decision](#)

04 OUTCOME / IN WHOSE FAVOUR

In favour of Revenue: the allotted-property income was deemed agricultural income of the family (SCR pp.1008-1009; PDF pp.9-10).

Source: [Primary judgment: outcome](#)

05 AKHB REVIEW POINT

AKHB analysis: distinguish an antecedent overriding title from an obligation governing use after receipt, and test ownership, revocability and reversion. Modern statutory attribution rules require separate verification (based on SCR pp.1005-1009; PDF pp.6-10).

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

SOURCE & VERIFICATION

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

Full 10-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 10-page count match catalogue asset 1972_1_1000_1009; 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 decision applies historical Kerala agricultural-income-tax and 1922 Act concepts; current family, trust and diversion rules were not checked.

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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General legal and tax research only; not legal or tax advice. Verify the original judgment, the governing historical statute and subsequent judicial treatment before reliance. The AKHB REVIEW POINT is editorial analysis, not the Court's holding, and no current-law clearance is claimed.