

Surjit Lal Chhabda v. Commissioner of Income Tax, Bombay

Civil Appeal Nos. 1819–1821 of 1970 — Three special-leave appeals share the reported judgment; the narrative and final operative sentence use the singular appeal. No unprinted appeal-to-year allocation is inferred.

[1976] 2 SCR 164 | 1975-10-06

A Hindu undivided family existed, but the income of newly blended self-acquired property remained the individual's under the personal-law incidents then applicable.

Indian Income-tax Act, 1922 and contemporary Hindu personal law | 1922 Act: 2(9) | 1922 Act: 3 | 1922 Act: 55 | 1922 Act: 66(1)

3 Judges | Y. V. Chandrachud | R. S. Sarkaria | A. C. Gupta

01 FACTS OF THE CASE

Kathoke Lodge's income remained taxable to Surjit Lal individually despite his genuine declaration placing the property in the family hotchpot. His family comprised himself, his wife and an unmarried daughter. On 26 January 1956 he declared that he would hold the self-acquired property as karta. For 1957–58 he claimed HUF assessment of its rent. The Tribunal accepted that the declaration was acted on but held that his unrestricted rights left the income individually assessable. The High Court agreed with the tax result.

Source: [SCR 166–169; target report and identified opinion only.](#)

02 DISCUSSION BY THE HON'BLE COURT

Chandrachud J rejected the proposition that a wife and daughter could not form an HUF with one male member. An HUF was wider than a coparcenary. The Revenue's separate empty-hotchpot argument was unavailable because it did not arise from the reference and had not been pressed below; the Court did not decide its merits. For attribution of income, it distinguished property already belonging to a subsisting joint family from separate property newly placed in common stock. Kalyanji's relevant reasoning applied to the latter; Gowli Buddanna and Narendranath concerned the former. Under the personal law then applied, the wife's and daughter's maintenance rights were not enlarged by the declaration and the appellant retained unrestricted alienation powers.

Source: [SCR 170–182; target report and identified opinion only.](#)

03 JUDICIAL DECISION

The existence of the family did not itself determine ownership of this income. On the historical facts and rights, Kathoke Lodge's income was the appellant's individual income. The Court did not hold that every sole-coparcener family's income is individual income.

Source: [SCR 182–183; target report and identified opinion only.](#)

04 OUTCOME / IN WHOSE FAVOUR

The assessee's challenge was dismissed in the common judgment. Individual assessment of the disputed property income stood; the three printed appeal numbers remain part of the case identity. No order as to costs.

Source: [SCR 183-183; target report and identified opinion only.](#)

05 AKHB REVIEW POINT

Separate family status, the origin of property and income attribution. The judgment's male-only coparcenary discussion is historical: amended Hindu Succession Act section 6 gives a daughter coparcenary rights, subject to its savings. Later tax clubbing of converted property also needs separate analysis. Neither development should be silently projected into this 1956 declaration.

Source: [SCR 173-183; target report and identified opinion only.](#); [Hindu Succession Act, section 6\(1\)-\(5\), official HTML rendition lines 63-83; later daughter-coparcenary rights and statutory savings, not the 1975 holding.](#); [DOR-hosted Finance Act 2011 compilation, physical 402-403, section 64\(2\); later clubbing and conversion-date limit, not operative law for the 1956 declaration.](#)

ORIGINATING PROCEEDINGS

1.

Case numbers: Income Tax Reference No. 29 of 1963

Relationship: Bombay High Court judgment dated 8/9 July 1969.

SOURCE & VERIFICATION

Original reported Supreme Court judgment

20-page retained public-mirror SCR report. The complete report was read as text and page images. The acquisition URL is preserved provenance; current endpoint availability and authentication as a signed original are not newly verified. All 20 physical text and image pages genuinely read. Entire PDF is the target report, including headnote and any separate opinion; cited/quoted cases are authorities, not additional primary targets. The report is dated 6 October 1975 but appears in 1976 SCR. Its three dockets survive the singular disposition; 1957-58 is the only assessment year expressly developed in the narrative. The historical statements excluding daughters from coparcenary are not a present-law certification. The later statutory comparison is distinct from this holding. All 20 physical pages belong to the target, including lengthy discussion of antecedent cases; those cases are not additional target judgments.

Open cited source rendition

The report is dated 6 October 1975 but appears in 1976 SCR. Its three dockets survive the singular disposition; 1957-58 is the only assessment year expressly developed in the narrative.

The historical statements excluding daughters from coparcenary are not a present-law certification. The later statutory comparison is distinct from this holding.

All 20 physical pages belong to the target, including lengthy discussion of antecedent cases; those cases are not additional target judgments.

STATUTORY SCOPE

Indian Income-tax Act, 1922 and contemporary Hindu personal law; 2(9), 3, 55, 66(1), Mitakshara Hindu personal law as applied at the relevant time

Retained 2011 section 64(2) clubs income from qualifying separate property converted or transferred to an HUF after 31 December 1969; its dates do not cover the 1956 declaration. The separately read official Hindu Succession Act section 6(1)–(5) gives daughters coparcenary rights and contains pre 20 December 2004 disposition/partition savings.

Sections 99(3)–(4) address converted-property income and preserve the on-or-before 31 December 1969 exception; family-status analysis remains distinct.

Historical operative law is distinct from the cited later versions. Complete repeal/savings, tax-year applicability, unexamined rules and comprehensive subsequent judicial treatment remain unverified.

Other provisions addressed: Mitakshara Hindu personal law as applied at the relevant time

LATER TREATMENT

Source checked 2026-10-08. No comprehensive subsequent judicial-history review was performed for this note; unchecked treatment must not be read as absence of later treatment.

Named authorities discussed within the judgment are antecedent authorities. The separately sourced legislative developments are statutory comparisons, not a later-judgment certification.

Primary holding and expressly identified bounded statutory readings only.

IDENTIFIED SOURCE LINKS

[Income-tax Act,1961: identified2011 compilation](#)

DOR-hosted Taxmann compilation as amended by Finance Act2011 Retained 2011 section 64(2) clubs income from qualifying separate property converted or transferred to an HUF after 31 December 1969; its dates do not cover the 1956 declaration. The separately read official Hindu Succession Act section 6(1)–(5) gives daughters coparcenary rights and contains pre 20 December 2004 disposition/partition savings. Identified historical2011 compilation. Not a current consolidated statute, full-Act, image or complete transaction-applicability review. Text pages read: 42, 402–403.

[Income-tax Act,2025: bounded provisions](#)

Official compilation as amended by Finance Act2026 Section 99 heading lines6811–6813; subsections3–4 lines6856–6877, physical pages 166–167. Capture hashes identify exact returned text-output bytes, not the remotePDF. No full-Act, image, complete transition or comprehensive subsequent-history verification.

[HSA](#)

Section6(1)–(5), lines63–83 of returned official text. Only identified official-site text and version read; not a complete present-law or subsequent-judgment survey.

AI DISCLOSURE

AI-assisted research. The AKHB Review Point is editorial analysis, not part of the Court's judgment.

PROFESSIONAL DISCLAIMER

AI-assisted legal research note for general information and professional research. It is not legal or tax advice. Verify the original judgment, applicable statutory version and subsequent judicial treatment before relying on it. The AKHB Review Point is editorial analysis, not part of the Court's judgment.