IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX REFERENCE NO. 102 OF 1998

Commissioner of Income Tax,
Bombay City-III, Mumbai ..Applicant

Vs.

The Hongkong and Shanghai Banking
Corporation Ltd. ..Respondent

....

Mr. Suresh Kumar, Advocate for Appellant.
None for Respondent.

....

CORAM : M.S. SANKLECHA &
G.S. KULKARNI, JJ.
DATED : 6 FEBRUARY 2015

P.C.:

1. This reference is at the instance of Revenue under Section 256(1) of the Income Tax Act, 1961. The Assessment Years involved are Assessment Years 1975-76 to 1986-87 except 1980-81.

2. The following question has been referred to us for our opinion:

> "Whether on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in law in upholding the order of the CIT (Appeals) deleting the disallowance of rediscounting charges paid to the I.D.B.I.?"

3. Mr. Suresh Kumar, learned Counsel appearing for Revenue fairly states that the question referred to this Court stands concluded against the Revenue and in favour of the respondent-assessee by the decision of this Court in ***CIT Vs. Bank of Maharashtra*** in ***264 ITR 568*** and the decision of the Apex Court in ***CIT Vs. Canara Bank*** in ***293 ITR 115*** in favour of the respondent-assessee and against the Revenue. Accordingly we answer the question in affirmative i.e. in favour of the respondent-assessee and against the Revenue.

4. Accordingly, the **Reference** is **disposed of**. No order as to costs.

[G.S. KULKARNI, J] **[M.S. SANKLECHA, J.]**