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

INCOME TAX REFERENCE NO. 146 OF 1998

The Commissioner of Income Tax .. Applicant

v/s.

M/s. Deutsche Bank A.G. Bombay .. Respondent

Mr. Suresh Kumar for the applicant
Mr. B.D. Damodar for the respondent

CORAM : M.S. SANKLECHA &
A.M. BADAR, J.J.

DATED : 29th APRIL, 2016.

P.C.

1. This Reference under Section 256(1) of the Income Tax Act, 1961 (the Act).

2. The Income Tax Appellate Tribunal seeks our opinion on the following substantial question of law :-

(i) Whether on the facts and on the circumstances of the case, the Tribunal was right in law in deleting the disallowance of rediscounting charges paid to IDBI ?

3. It is an agreed position between the parties that the issue stand covered against the Revenue and in favour of the respondent assessee by virtue of a decision of this Court in ***Commissioner of Income Tax Vs. Bank of Maharashtra, (2003) 130 Taxman 113*** and also by the Apex Court in ***Commissioner of Income Tax Vs. Canara Bank, 293 ITR 115***.

4. In the above view, the question raised for our opinion is answered in the affirmative i.e. in favour of the respondent assessee and against the applicant Revenue.

5. Accordingly, the Reference is disposed of in the above terms.

(A.M. BADAR, J.) **(M.S. SANKLECHA, J.)**