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

INCOME TAX APPEAL NO. 1252 OF 2015

Pr.Commissioner of Income Tax- 2. ... Appellant.
V/s.
M/s.HDFC Bank Ltd. ... Respondents.

Mr.Suresh Kumar for the appellant.
Mr.J.D.Mistry, Senior Advocate with Mr.Madhur Agrawal i/b.
Atul K. Jasani for the respondent.

CORAM : A.S.OKA AND A.K.MENON, JJ.

DATE : 29th November 2017.

P.C.:

Heard the learned counsel for the appellant and the learned senior counsel appearing for the respondent. The only substantial question of law which is pressed into service by the learned counsel appearing for the appellant reads thus:

> "Whether on the facts and in the circumstances of the case and in law, the ITAT was correct in law in holding that the broken period interest is allowable as a deduction in spite of the Supreme Court decision in the case of CIT v. Vijaya Bank (187 ITR 541) and the Rajasthan High Court decision in the case of Bank of Rajasthan (316 ITR 391)?

2. The present appeal pertains to the assessment year 2009-10. In the case of the same assessee, for the assessment years 2001-02 to 2005-06, the same issue was dealt with by the Division Bench of this Court in the case of ***C.I.T. v. HDFC Bank Ltd.***[1]. The Division Bench answered the same question against the appellant by relying upon the decision of this Court in the case of ***American Express International Banking Corpn. v. C.I.T***.[2]. The view taken by the Division Bench in the case of ***American Express International Banking Corpn.*** (supra) has been approved by the Apex Court in the judgment and order dated 12th August 2008 in Civil Appeal No.1549/2006 (***C.I.T. v. Citi Bank N.A.***). Hence, there is no merit in the appeal. No substantial question of arises.

Appeal is, accordingly, dismissed.

(A.K.MENON, J.) (A.S.OKA, J.)

1 [2014] 49 taxmann.com 335 (Bombay)
2 [2002] 258 ITR 601/ 125 Taxman 488