IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

1. ITA no. 64 of 2009 (O&M)

Commissioner of Income Tax, Patiala

....Appellant

Versus

State Bank of Patiala

...Respondent

2. ITA no. 66 of 2009 (O&M)

Commissioner of Income Tax, Patiala

....Appellant

Versus

State Bank of Patiala

...Respondent

Date of Decision : 09.04.2019

CORAM : HON'BLE MR.JUSTICE MAHESH GROVER
HON'BLE MR JUSTICE LALIT BATRA

Present : Mr. Kunal Sharma, Advocate, Sr. Standing counsel for Income Tax

Mr. Sanjay Bansal, Sr. Advocate with
Mr. Amit Parsad, Advocate for Bank

MAHESH GROVER, J.(ORAL)

By this order we will dispose of two appeals bearing ITA Nos. 64 and 66 of 2009.

The matter pertains to the assessment year 2001-02, 2002-03. The issue arose because of the disallowance of annual unquoted securities by

Yield to Maturity method (hereinafter referred to as 'YTM method') as recommended by RBI.

The assessment order for the assessment years 2003-04 to 2006-07 made an alteration in the issue on the question of the YTM method. The issue was decided by the Appellate Tribunal in favour of the assessee Bank and no further appeal on the issue against the order of CIT(A) was filed before the Tribunal by the Department/Revenue, thereby orders of the Tribunal dated 8.12.2008, 11.2.2009, 24.3.2009 and 31.3.2009 attained finality. Subsequently, the assessing officer for the assessing year 2007-08 and 2008-09 granted the relief to the assessee Bank by accepting the stand on the issue in question. This was in tune with the earlier orders referred to. This Court vide its judgment rendered in ITA No. 244 of 2016 titled as **Principal Commissioner of Income Tax vs. State Bank of Patiala** decided on 30.1.2017 reported as (2017)391 ITR 218 (P&H) has settled the issue with regard to the disallowance under Section 14-A of the Act on securities held as stock in trade. This order stand affirmed by the Hon'ble Supreme Court in the case of **Maxopp Investment Ltd. vs. Commissioner of Income Tax, New Delhi (2018) 402 ITR 640 (SC).**

In view of above, nothing survives in the present appeals which are disposed of as having been rendered infructuous.

(Mahesh Grover)
Judge

09.04.2019 **(Lalit Batra)**
rekha **Judge**

Whether speaking/reasoned Yes/No
Whether reportable Yes/No