2025 PHHC:168731-DB

IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH
****

203 **ITA-390-2011 (O&M)**
Date of Decision: 03.12.2025

STATE BANK OF PATIALA ...Petitioner

Vs.

COMMISSIONER OF INCOME TAX, PATIALA …Respondent

Sr. No.	Case No.	Petitioner(s)	Respondent(s)
2.	ITA-391-2011 (O&M)	State Bank of Patiala, Patiala, Punjab	The Commissioner of Income Tax, Patiala
3.	ITA-392-2011 (O&M)	State Bank of Patiala, Patiala, Punjab	The Commissioner of Income Tax, Patiala
4.	ITA-393-2011 (O&M)	State Bank of Patiala, Patiala, Punjab	The Commissioner of Income Tax, Patiala
5.	ITA-394-2011 (O&M)	State Bank of Patiala, Patiala, Punjab	The Commissioner of Income Tax, Patiala
6.	ITA-432-2015 (O&M)	The Pr. Commissioner of Income Tax, Patiala	State Bank of Patiala, The Mall, Patiala
7.	ITA-439-2015 (O&M)	The Pr. Commissioner of Income Tax, Patiala	State Bank of Patiala, The Mall, Patiala
8.	ITA-450-2015 (O&M)	The Pr. Commissioner of Income Tax, Patiala	State Bank of Patiala, The Mall, Patiala
9.	ITA-462-2015 (O&M)	The Pr. Commissioner of Income Tax, Patiala	State Bank of Patiala, The Mall, Patiala

CORAM:- HON'BLE MR. JUSTICE JAGMOHAN BANSAL
HON'BLE MR. JUSTICE AMARINDER SINGH GREWAL

Present:- Mr. Sanjay Bansal, Sr. Advocate with
Mr. Gurdeep Singh, Advocate
Mr. Sushrut Singla, Advocate and
Mr. Iman Singla, Advocate
for appellant-State Bank of Patiala

Mr. Saurabh Kapoor, Advocate with
Mr. Rana Gurtej Singh, Advocate and
Ms. Muskaan Gupta, Advocate
for respondent-Income Tax Department

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<u>JAGMOHAN BANSAL, J. (ORAL)</u>

1. As common issues are involved in the captioned petitions, with the consent of both sides, the same are hereby disposed of by this common order.

2. Three issues are involved in these appeals. First issue relates to disallowance under Section 14A of Income Tax Act, 1961 (for short '1961 Act') on the securities held in stock. This issue stands settled by this Court in ***"Principle CIT Vs. State of Patiala",*** **(2017) 391 ITR 218 (P&H)**. The judgment of this Court stands affirmed by Hon'ble Supreme Court in ***"Maxopp Investment Ltd. Vs. Commissioner of Income Tax",*** **2018 SCC Online SC 250.**

3. The second issue relates to applicability of Section 41(4) read with 36(1)(vii) of 1961 Act with respect to recovery of bad debts which were written off in the earlier assessment years, however, deduction was not claimed. The Tribunal for the subsequent assessment years remanded the matter back to Assessing Authority which agreed with the stand of the assessee.

4. The Tribunal has declined to adjudicate four issues on the ground of absence of Committee on Disputes (for short 'COD') approval. Hon'ble Supreme Court vide judgment dated 17.02.2011 passed in ***"Electronics Corporation of India Ltd. vs. UOI and Ors.", (*****2011) 3 SCC 404,** has dispensed with requirement of COD approval in case of dispute between Public Sector Undertaking and State. The Tribunal was supposed to adjudicate issues raised by appellant even without approval of COD.

5. Learned counsel for the parties are *ad idem* with respect to aforestated factual and legal position and submit that matter may be remanded to Assessing Authority or Tribunal, as this Court deems fit, to pass fresh order in accordance with afore-stated legal/factual position.

6. In the wake of statement of both sides, we find it appropriate to remand all the appeals to Tribunal because Tribunal has not adjudicated four issues on the ground of absence of COD approval. Accordingly, all the appeals are allowed by way of remand to Tribunal which would pass fresh order in accordance with law. The parties would be free to raise all the arguments with respect to aforesaid issues before the Tribunal.

7. Pending application(s), if any, stands disposed of.

(JAGMOHAN BANSAL)
JUDGE

(AMARINDER SINGH GREWAL)
JUDGE

December 03, 2025
Deepak DPA

Whether Speaking/reasoned Yes/No
Whether Reportable Yes/No