

**IN THE INCOME TAX APPELLATE TRIBUNAL  
'C' BENCH, BENGALURU**

**BEFORE SHRI INTURI RAMA RAO, ACCOUNTANT MEMBER  
and  
SHRI LALIET KUMAR, JUDICIAL MEMBER**

ITA No.843/Bang/2017  
(Assessment year : 2012-13)

Joint Commissioner of Income-tax(LTU),  
Bengaluru ... Appellant

Vs.

M/s.Canara Bank,  
Balance Sheet & Central Accounts Section,  
FM & S Wing, Head Office,  
112, JC Road,  
Bengaluru-560002. ... Respondent  
*PAN:AAACG 6106 G*

Appellant by : Shri R.K.Jha, (CIT).  
Respondent by : Ms. R.Lalith, Advocate.

Date of hearing : 09/11/2017  
Date of pronouncement : 17/11/2017

**O R D E R**

**Per INTURI RAMA RAO, AM :**

This is an appeal filed by the revenue directed against the order of the Commissioner of Income-tax (Appeals)-14, LTU, Bengaluru [CIT(A)], dated 30/01/2017 for the assessment year 201-13.

2. The revenue raised the following grounds of appeal:

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1. The order of CIT(A) is opposed to the facts and law in so far as the below issues decided against the revenue.
2. The CIT(A) has erred in holding that the provisions of Sec.115JB are not applicable to banking companies.
3. The CIT(A) has erred in directing the AO to delete the addition made on account of depreciation on leased assets.
4. Any other ground urged at the time of appeal

3. Ground Nos.1 and 4 are general in nature and do not require any adjudication. Ground No.2 challenges the finding of the CIT(A) that the provisions of section 115JB of the Income-tax Act, 1961 [hereinafter referred to as 'the Act' for short] are not applicable to a banking company. This issue is covered against the revenue by the ratio of the decision of the co-ordinate bench in the assessee's own case in ITA Nos.1035/Bang/2013 dated 15/09/2017 for the assessment year 2009-10 wherein, it has been held as under:

ō13. Ground of appeal No.5 is on the applicability of the provisions of section 115JB of the Act. This issue had come up before the co-ordinate bench in the case of assessee for asst. year 2005-06 in ITA No.305/Bang/2011 dated 18/06/2012 wherein it was held as follows:

7. We have heard rival submissions and considered the facts and material on record. There is no dispute about the fact that the assessee is a bank and in this assessee's case, provisions of sec.115JB have been invoked. There are at least two decisions of this Tribunal in the case of banking companies itself as listed below:

- (i) *Union Bank of India vs. ACIT* (ITA 4702 & 4706/2010 dated 30-6-2011)
- (ii) *Indian Bank vs. Addl. CIT* (ITA 469/Mds/2010 dt.3-8-2011)

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In the light of this decision, we do not find any fallacy in the order of the CIT(A) CIT(A). Hence, we dismiss this ground of appeal.

4. Ground No.3 is also covered in favour of the assessee and against the revenue by the decision of the co-ordinate bench in the case of the assessee for the assessment year 2009-10 in ITA No.1035/Bang/2013 dated 15/09/2017. The relevant paragraph is extracted below:

ö11. Ground of appeal No.3 relates to depreciation on leased assets to Kedia group of companies. This issue is only consequential in nature, as in the earlier years viz., 2008-09 and 2007-08, we allowed the claim vide order dated 13/07/2016 in Misc.Petn.Nos.42 & 43/Bang/2016 in ITA Nos.684/Bang/2012 & 813/Bang/2011. This ground of appeal is dismissed.ö

Respectfully following the same, we dismiss ground No.3 since issue of depreciation on leased assets is only consequential in nature and also for reasons of parity, decision for earlier years requires to be followed. Ground No.3 is dismissed.

5. In the result, the appeal filed by the revenue is dismissed.

*Order pronounced in the open court on 17<sup>th</sup> November, 2017*

Sd/-  
**(LALIET KUMAR)**  
**JUDICIAL MEMBER**

sd/-  
**(INTURI RAMA RAO)**  
**ACCOUNTANT MEMBER**

Place : Bengaluru  
D a t e d : 17/11/2017

*srinivasulu, sps*

**Copy to :**

- 1 Appellant
- 2 Respondent
- 3 CIT(A)-
- 4 CIT
- 5 DR, ITAT, Bangalore.
- 6 Guard file

By order

Senior Private Secretary  
Income-tax Appellate Tribunal  
Bangalore