

**HIGH COURT OF CHHATTISGARH AT BILASPUR****TAXC No. 135 of 2024**

DEPUTY COMMISSIONER OF INCOME TAX, **versus** CHHATTISGARH STATE  
POWER DISTRIBUTION COMPANY LIMITED,

**Order Sheet**

18/06/2025	<p>Shri Ajay Kumrani, Counsel for the appellant.</p> <p>Shri Neelabh Dubey, Counsel for the respondent.</p> <p>Heard on admission and on formulation of substantial questions of law.</p> <p>This Appeal preferred under Section 260A of the Income Tax Act is <b>admitted</b> for hearing on the following substantial questions of law:-</p> <ol style="list-style-type: none"><li>1. Whether the ITAT is justified in deleting the</li></ol>

disallowance made by the Assessing Officer on account of depreciation amounting to Rs.42,72,32,494/- as the Assessing Officer had correctly worked out the admissible depreciation as per provisions of Section 2 (19AA) (Explanation-4) of the Income Tax Act, 1961 ?

2. Whether the ITAT was justified in deleting the addition made by the Assessing Officer by treating the grant received amount to Rs.748,41,24,031/- as a revenue subsidy, by recording a finding which is perverse to the record and in violation of the provisions of Section 2 (24) (i) of the Income Tax Act, 1961 ?
3. Whether the ITAT was justified in deleting the disallowance made by the Assessing Officer amounting to Rs.12,43,25,000/- on account of reimbursement of expenses to CSPHCL by recording a finding which is perverse to the record and in violation of the provisions of

Section 40A of the Income Tax Act, 1961 ?

Issue notice to the respondent.

Mr. Neelabh Dubey accepts notice on behalf of the respondent. Let extra set of appeal memo along with annexures and substantial questions of law be supplied to him within seven days from today enabling him to file counter affidavit, if any.

Proper paper book be filed in accordance with High Court Rules.

List this matter for consideration after 6 weeks.

Sd/-

**(Sanjay K. Agrawal)**  
Judge

Sd/-

**(Deepak Kumar Tiwari)**  
Judge

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