HIGH COURT FOR THE STATE OF TELANGANA

MAIN CASE No: I.T.T.A.No.123 of 2026

PROCEEDING SHEET

SL. No.	DATE	ORDER	OFFICE NOTE
02.	15.07.2026	**PSK, J & NNR, J** Counsel for the appellant : Ms. Kavitha Jha, learned Senior Counsel representing Ms. Zubin J.F. Poovathinkal. Counsel for the respondent : **I.T.T.A.No.123 of 2026** The instant appeal is admitted for hearing on the following substantial questions of law, viz., *"Whether, on the facts and in the circumstances of the case, the ITAT erred in law in not holding that the disallowance under section 43B of deduction claimed in respect of bonus and leave encashment, being highly debatable issue, was outside the purview of section 143(1)(a) of the 1961 Act?* *Whether, on the facts and in the circumstances of the case, the ITAT erred in law in not holding that in a case of deemed payment by way of transfer of liabilities pursuant to a Business Transfer Agreement, the same is not allowable deduction under section 43B of the 1961 Act in the hands of the transferor company?"* Let notice be issued to the respondent. Post this case for hearing in its usual course. **PSK, J** **NNR, J** GSD	Transferred to IO Folder before corrections.