

आयकर अपीलीय अधिकरण, 'सी' न्यायपीठ, चेन्नई।
**IN THE INCOME TAX APPELLATE TRIBUNAL
'C' BENCH: CHENNAI**

श्री जॉर्ज माथन, न्यायिक सदस्य एवं
श्री इंदूरी रामा राव, लेखा सदस्य के समक्ष

**BEFORE SHRI GEORGE MATHAN, JUDICIAL MEMBER AND
SHRI INTURI RAMA RAO, ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.834/Chny/2018
निर्धारण वर्ष /Assessment Year: 2007-08

Tamil Nadu Salt Corporation Ltd., Vs. Asst. Commissioner of
L L A Building, 735,Anna Salai, Income Tax,
Chennai 600 002. Corporate circle 3(1),
Chennai-34.

[PAN: AACT 2482 L]

(अपीलार्थी/ Appellant)

(प्रत्यर्थी/ Respondent)

अपीलार्थी की ओर से/ Appellant by
प्रत्यर्थी की ओर से /Respondent by

: Smt.J.Sree Vidya,Advocate
: Shri R.Clement Ramesh
Kumar,Addl. C.I.T D.R

सुनवाई की तारीख/Date of Hearing

: 22.07.2019

घोषणा की तारीख /Date of Pronouncement

: 22.07.2019

आदेश / O R D E R

PER GEORGE MATHAN, JUDICIAL MEMBER:

This is an appeal filed by the assessee against the Order of the
Commissioner of Income Tax (Appeals)-11, Chennai, in ITA
No.269/C.I.T(A)-11/2013-14 dated 12.12.2017 for the AY 2007-08.

2. Smt.J.Sree Vidya represented on behalf of the Revenue and Shri R.Clement Ramesh Kumar represented on behalf of the Revenue.

3. It was submitted by Id.AR that the only issue raised in this appeal is against the action of Id.CIT(A) in confirming the action of the Assessing Officer in disallowing 90% of the depreciation claimed by the assessee in respect of "*temporary roads adjacent to salt pans*". It was a submission that for the purpose of access and movement of salt and equipment, assessee had to build cutcha roads using clay and sand within the Salt Pans. The assessee had claimed 100% depreciation on the same. It was a submission that the Assessing Officer had held that only 10% of depreciation on *temporary roads adjacent to salt pans was allowable*. It was a submission that the issue was squarely covered by the decision of the Hon'ble Gujarat High Court in the case of C.I.T Vs. Salt and Allied Industries Ltd., reported in [1993] 199 ITR 233 (Gujarat) wherein it has been held that following the decision of Gujarat High Court in the case of C.I.T Vs. Bhavnagar Salt and Industries Works P. Ltd. in [1987] 163 ITR 265(Guj.), wherein it has been held that Salt Pans etc., in respect of which depreciation at 100% is claimed, were made of earth and clay, then 100 per cent depreciation is admissible irrespective of the fact whether salt pans, etc., in respect of which depreciation is claimed, are new or old.

4. In reply, the Id.DR vehemently support the order of the Id.CIT(A).

5. We have heard the rival contentions and perused the material available on record. As it is noticed that the roads etc., in salt pans on which the assessee has claimed 100% depreciation, is made of clay and sand and as it is noticed that the issue is squarely covered by the decision of Hon'ble Gujarat High Court in the case of C.I.T Vs. Salt and Allied Industries Ltd., referred to supra, respectfully following the decision of Hon'ble Gujarat High Court in the case of C.I.T Vs. Salt and Allied Industries Ltd.,(supra), the Assessing Officer is directed to allow the depreciation claimed @ 100% in respect of *temporary roads adjacent to salt pans* by the assessee.

6. In the result, appeal of assessee is allowed.

Order pronounced on the 22 July, 2019 in Chennai.

Sd/-
(इंटूरी रामा राव)

(INTURI RAMA RAO)

लेखा सदस्य/**ACCOUNTANT MEMBER**

Sd/-
(जॉर्ज माथन)

(GEORGE MATHAN)

न्यायिक सदस्य/**JUDICIAL MEMBER**

चेन्नई/Chennai,

दिनांक/Dated: 22nd July, 2019.

K S Sundaram

आदेश की प्रतिलिपि अग्रेषित/**Copy to:**

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त (अपील)/CIT(A)
4. आयकर आयुक्त/CIT
5. विभागीय प्रतिनिधि/DR
6. गार्ड फाईल/GF