

**IN THE INCOME TAX APPELLATE TRIBUNAL
“SMC” BENCH, AHMEDABAD**

**BEFORE DR. B.R.R. KUMAR, VICE-PRESIDENT
Ms SUCHITRA KAMBLE, JUDICIAL MEMBER**

ITA No.795/Ahd/2025
(Assessment Year: 2014-15)

Raj Quarry, C/o Ishan Mahendrabhai Patel, 39, Parkhill, Near Heavens Park, Ramdevnagar, Ahmedabad-380015. [PAN :AAOFR3255 L]	Vs.	The Deputy Commissioner of Income Tax, Circle-1(3), Vadodara.
(Appellant)	..	(Respondent)

Appellant by :	Ms Urvashi Sodhan, AR
Respondent by:	Shri Kamal Deep Singh, Sr. DR
Date of Hearing	07.07.2025
Date of Pronouncement	15.07.2025

ORDER

PER DR. B.R.R. KUMAR, VICE-PRESIDENT:-

This appeal is filed by the Assessee against the appellate order dated 26.03.2025 passed by the Commissioner of Income Tax (Appeals)/National Faceless Appeal Centre, Delhi, relating to the Assessment Year 2014-15.

2. The assessee filed return of income declaring of total income of (-)Rs.1,35,40,922/-. The assessee claimed expenses of Rs.79,28,708/ on account of Mining at Lease site, Site Carting Expenses, Labour & Providing Expenses and Machinery Hire & Expenses. On examination of the vouchers, Assessing Officer disallowed 1/3rd of the expenses for want of proper substantiation of the expenses.

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3. Further, the Assessing Officer disallowed an amount of Rs.11,44,400/- being 1/4th of the expenses on account of diesel and petrol claimed by the assessee of Rs.45,77,900/-.

4. Aggrieved, the assessee filed appeal before the Ld. CIT(A) who affirmed the order of the Assessing Officer.

5. On going through the arguments of both the parties, we find that Assessing Officer has not given any justification for disallowance. As per the record, the assessee had a loss of Rs.1.35 crores and brought forward loss of Rs.27.29 lakhs. Hence, even after considering a reduction in the ad-hoc disallowances to 10%, the net tax payable would be Nil. Accordingly, in the absence of any details from both the parties to determine disallowance as computed by the Assessing Officer, we affirm the disallowance to 10% of the expenses claimed by the assessee.

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

The order is pronounced in the open Court on 15.07.2025.

Sd/-
(SUCHITRA KAMBLE)
JUDICIAL MEMBER

Sd/-
(DR. B.R.R. KUMAR)
VICE-PRESIDENT

Ahmedabad; Dated 15.07.2025
MV

(True Copy)

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आदेश की प्रतिलिपि अग्रेषित / Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. संबंधित आयकर आयुक्त / Concerned CIT
4. आयकर आयुक्त (अपील) / The CIT(A)-
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, अहमदाबाद / DR, ITAT, Ahmedabad
6. गार्ड फाईल / Guard file.

आदेशानुसार/ BY ORDER,

सहायक पंजीकार (Dy./Asstt. Registrar)
आयकर अपीलीय अधिकरण, अहमदाबाद / ITAT, Ahmedabad