

**IN THE INCOME-TAX APPELLATE TRIBUNAL,  
AGRA BENCH, AGRA**

**Before: Shri Laliet Kumar, Judicial Member And  
Shri Dr. M. L. Meena, Accountant Member**

**I.T.A No. 95/Agra/2018  
(A.Y. 2014-15)**

M/s Nirbhan Singh and Brothers, ChuakaBhag, Sagar Road, Lalitpur PAN No. AABFN5370K <b>(Appellant)</b>	<b>Vs</b>	ITO-2(3)(4), Lalitpur  <b>(Respondent)</b>
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<b>Appellant by</b>	<b>Shri R.C. Tomer, ITP</b>
<b>Respondent by</b>	<b>Shri Waseem Arshad, Sr DR.</b>

<b>Date of Hearing</b>	<b>19.07.2019</b>
<b>Date of Pronouncement</b>	<b>19.08.2019</b>

**ORDER**

**Per Dr. M. L. MEENA, A.M.:**

This appeal by the assessee is directed against the order of the Id. Commissioner of Income Tax(A)-II, Agra dated 28.02.2014 wherein the assessee has challenged the action of the CIT(A) in confirming ad-hoc disallowance of Rs. 1,73,194 out of expenses claimed running patrol pump by the assessee.

2. The Assessing Officer (In short 'the AO') has made ad-hoc disallowances of expenses @ 30% of Rs. 17,31,940/- out of repairs & maintenance, travelling, generator expenses, Labour charges,

advertisement, electricity bills of preceding year, sales promotion etc.being claimed by way of cash and self made vouchers without serial numbers.

3. The Id. CIT(A) while appreciating the observation of the AO held that since, the assessee has not maintained proper vouchers and AO is correct in making disallowance of expenses. However, she further noted that considering the nature of business, the disallowances of 30% are on higher side and she restricted the same to 10% of the expenses i.e. Rs. 1, 73, 194/- as against Rs. 5,19, 582/- disallowed by the AO out of Rs. 17,73,194/-

4. Ld. AR reiterated the submissions made before the Id. CIT(A) and contended that *ad hoc* disallowance is not justified when there is no defect pointed out in the books of accounts by the AO. In support, he relies in the case of Ramjiwan Lal vs. CIT (All HC) 3 Taxmann0279.

5. Per contra, Ld. DR supported the order of authorities below. He relies on Hon'ble Allahabad High Court in the case of CIT vs Abdul Haseeb, ITA No. 213 of 2007.

6. Heard. We note that the AO has pointed specific discrepancies in respect of accounting charges claimed of Rs. 48,000/- by way of self made vouchers without signatures of the receivers; that electricity expenses of Rs. 46, 234/- without payment receipts or other acknowledgement to that effect; that shop expenses of Rs. 1,11,383/-, generator expenses of Rs. 1,71, 603/- and so on remained unverified. The Id. counsel has not demonstrated the accounting of the said expenses either before the authorities below or before

us. Under the peculiar facts of the case, the contention of the Id. AR to substitute the question of fact by question of law is not acceptable. Over and above, in the present case the AO has pointed out specific discrepancies in debit entries in the accounts of the assessee as per para 5 of the Assessment Order. The Ld. CIT(A) has fair in accommodating the assessee by restricting the disallowance to Rs. 1, 73, 194/- despite specific discrepancies in the accounts of the assessee in view of the decision of “CIT vs Abdul Haseeb”, (Supra)(All HC).

7 In the above view, we find no reason to interfere in the finding of the Id. CIT(A), and as such the disallowance of Rs. 1, 73, 194/- being discrepancies in expenses claimed is confirmed. The grounds of appeal rejected.

8. In the result, the appeal filed by the assessee, is dismissed.

**Order pronounced in the open court on 19/08/2019.**

**Sd/-  
(Laliet Kumar)  
Judicial member**

**Sd/-  
(Dr. Mitha Lal Meena)  
Accountant Member**

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Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

Sr. Private Secretary  
ITAT, Agra.