

आयकर अपीलीय अधिकरण, कटक न्यायपीठ, कटक
IN THE INCOME TAX APPELLATE TRIBUNAL CUTTACK BENCH CUTTACK
(THROUGH VIRTUAL HEARING)

श्री जार्ज माथन, न्यायिक सदस्य एवं श्री राजेश कुमार, लेखा सदस्य के समक्ष ।

**BEFORE SHRI GEORGE MATHAN, JUDICIAL MEMBER
AND
SHRI RAJESH KUMAR, ACCOUNTANT MEMBER**

आयकर अपील सं/ITA No.441/CTK/2025
(निर्धारण वर्ष / Assessment Year : 2022-2023)

Rajan Prasad Hulursingh, Angul, 759122	Vs	ITO, Angul
PAN No. : ABMPP 6109 J		
(अपीलार्थी / Appellant)	..	(प्रत्यर्थी / Respondent)
निर्धारिती की ओर से / Assessee by	:	Shri Mohit Sheth, Advocate
राजस्व की ओर से / Revenue by	:	Shri Vijay Singh, Sr. DR
सुनवाई की तारीख / Date of Hearing	:	26/09/2025
घोषणा की तारीख / Date of Pronouncement	:	26/09/2025

आदेश / ORDER

Per Bench :

This is an appeal filed by the assessee against the Ld.CIT(A), National Faceless Appeal Centre(NFAC), Delhi order dated 01/01/2025 passed in Appeal No. NFAC/2021-222/10327663 for the assessment year 2022-2023.

2. It was submitted by the learned AR that the AO in the course of assessment has disallowed 50 percentage of the total expenditure of Rs.3,58,,22,629/-. It was the submission that the AO has not even specified which are the expenses which is being disallowed. It was the submission that ad hoc disallowances is not permissible under the Income Tax Act. It was a prayer that the disallowance may be deleted.

3. In reply the learned Sr. DR submitted that the order of the learned CIT(A) is an exparte order. It was the submission that even the learned CIT(A) would have deleted the addition had the assessee appeared before the learned CIT(A). It was the submission that the he vehemently supported the order of the AO and CIT(A).

4. We have considered the rival submissions. A perusal of the assessment order, more specifically at page 7 Para 6(iv) shows that the AO has made a disallowance of 50 percentage of a total expenditure of Rs.3,58,22,629/-. The disallowance is an ad hoc disallowance and no specific fault has been pointed out in respect of any specific expenses which have been claimed. Ad hoc disallowances are not permissible. As there is no specific disallowance made, we are of the view that the ad hoc disallowance made at 50 percentage of the expenses is liable to be deleted and we do so.

5. In the result appeal of the assessee is allowed.

Order dictated and pronounced in the open court on 26/09/2025.

Sd/-

(राजेश कुमार)
(RAJESH KUMAR)

लेखा सदस्य/ ACCOUNTANT MEMBER

Sd/-

(जार्ज माथन)
(GEORGE MATHAN)

न्यायिक सदस्य / JUDICIAL MEMBER

दिनांक Dated 26/09/2025

Prakash Kumar Mishra, Sr.P.S.

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

1. अपीलार्थी / The Appellant- Rajan Prasad
Hulursingh,Angul,
759122
2. प्रत्यर्थी / The Respondent- ITO, Angul
3. आयकर आयुक्त(अपील) / The CIT(A),
4. आयकर आयुक्त / CIT
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, कटक / DR, ITAT,
Cuttack
6. गार्ड फाईल / Guard file.सत्यापित प्रति //True Copy//

आदेशानुसार/ BY ORDER,

(Assistant Registrar)

आयकर अपीलीय अधिकरण,
कटक/ITAT, Cuttack