

**IN THE INCOME TAX APPELLATE TRIBUNAL
SURAT BENCH, SURAT
BEFORE DR. B.R.R. KUMAR, VICE-PRESIDENT
Ms SUCHITRA KAMBLE, JUDICIAL MEMBER**

ITA No.854/Srt/2025
(Assessment Year: 2018-19)

Shree Ram Minings, Jamanpada Navsari, Navsari-396040. [PAN : ACRFS4648B]	Vs.	Income Tax Officer, Ward-5, Navsari.
(Appellant)	..	(Respondent)

Appellant by :	Shri Rasesh Shah, AR
Respondent by:	Shri Ajay Uke, Sr. DR
Date of Hearing	21.01.2026
Date of Pronouncement	23.01.2026

ORDER

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

This appeal has been filed by the Assessee against the order dated 10.06.2025 passed by the Ld. Commissioner of Income-Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi ("the CIT(A) in short), under Section 250 of the Income-tax Act, 1961 ("the Act"), relating to the Assessment Year 2018-19.

2. The assessee is a partnership firm carrying on business in the name and style of Shree Ram Minings and derives income from business. The assessee filed its return of income for Assessment Year 2018-19 declaring a loss of Rs.3,492/- and maintains its books of account under the mercantile system of accounting. During the course of assessment proceedings, the Assessing Officer disallowed an amount of Rs.58,69,491/- on account of compression and blasting expenses on the ground that the expenses pertained to an earlier year, though payment was made during the year under consideration. Before us, the assessee furnished complete details of the blasting expenses along with evidence of tax deducted at source thereon. Since the expenses were incurred wholly and exclusively for the purposes of business and liability had crystallized during the relevant previous year, merely because the payment was made

in the subsequent year, no disallowance is warranted. The details of the expenses incurred are reproduced as under:

	Bills (With TDS)	Bills (Net of TDS)	Payments	Closing Balance
Jaykumar A Patel				
FY 2017-18	19,55,324.00	19,35,770.76		19,35,770.76
FY 2018-19	16,79,356.00	16,62,562.44		35,98,333.20
FY 2019-20			6,72,000.00	29,26,333.20
FY 2020-21			2,00,000.00	27,26,333.20
FY 2021-22			5,00,000.00	22,26,333.20
FY 2022-23			13,37,500.00	8,88,833.20
FY 2023-24			8,00,000.00	88,833.20
FY 2024-25			88,832.00	1.20
Ravi D Gavit				
FY 2017-18	19,54,805.00	19,35,256.95		19,35,256.95
FY 2018-19	14,45,220.00	14,30,767.80		33,66,024.75
FY 2019-20			4,00,000.00	29,66,024.75
FY 2020-21			3,42,000.00	26,24,024.75
FY 2021-22			-	26,24,024.75
FY 2022-23			14,68,000.00	11,56,024.75
FY 2023-24			8,37,000.00	3,19,024.75
FY 2024-25			3,19,022.00	2.75
Milan R Parmar				
FY 2017-18	19,59,362.00	19,39,768.38		19,39,768.38
FY 2018-19	10,53,698.00	10,43,161.02		29,82,929.40
FY 2019-20	12,62,775.00	12,50,147.25		42,33,076.65
FY 2020-21	14,65,480.00	14,54,488.90	7,40,000.00	49,47,565.55
FY 2021-22	13,53,150.00	13,39,618.50	9,00,000.00	53,87,184.05
FY 2022-23	13,40,816.00	13,27,407.84	53,58,250.00	13,56,341.89
FY 2023-24	16,98,156.00	16,81,174.44	16,00,000.00	14,37,516.33
FY 2024-25	7,71,021.00	7,63,310.79	14,00,000.00	8,00,827.12
		1,07,99,077.12	99,98,250.00	16,01,654.24

3. We have carefully examined the records and, in view of the details furnished regarding the blasting expenses incurred by the assessee, we hold that no addition is called for on this account.

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

The order is pronounced in the open Court on 23.01.2026.

**Sd/-
(SUCHITRA KAMBLE)
JUDICIAL MEMBER**

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

(True Copy)

Surat; Dated 23.01.2026

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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,अधिकरण अपीलीय आयकर ,/DR,ITAT, Surat,
6. गार्ड फाईल / Guard file.

आदेशानुसार/ BY ORDER,

सहायक पंजीकार (Asstt. Registrar)
आयकर अपीलीय अधिकरण
ITAT, Surat