

**IN THE INCOME TAX APPELLATE TRIBUNAL  
(DELHI BENCH 'A' : NEW DELHI)**

**BEFORE HON'BLE PRESIDENT, SHRI G.D. AGRAWAL  
and  
SHRI KULDIP SINGH, JUDICIAL MEMBER**

**ITA No.5464/Del./2015  
(ASSESSMENT YEAR : 2011-12)**

Shri Ravinder Kumar Ahuja (HUF), vs. ACIT, Circle 50 (1),  
Ground Floor, New Delhi.  
17, South Patel Nagar,  
New Delhi – 110 008.

**(PAN : AAAHR2891E)**

(APPELLANT)

(RESPONDENT)

ASSESSEE BY : Shri P.J. Khanna, CA  
REVENUE BY : Shri Janardan Dass, Senior DR

Date of Hearing : 09.09.2018

Date of Order : 17.09.2018

**ORDER**

**PER KULDIP SINGH, ACCOUNTANT MEMBER :**

The appellant, Shri Ravinder Kumar Ahuja (HUF) (hereinafter referred to as 'the assessee') by filing the present appeal, sought to set aside the impugned order dated 11.04.2014 passed by Ld. CIT (Appeals)-17, New Delhi qua the assessment year 2011-12 on the grounds inter alia that :-

*“On the facts and in the circumstances of the case, the appellate authority has erred in upholding addition of Rs.1,53,270/- out of telephone, motor car maintenance and travelling expenses for personal use by the appellant.”*

2. Briefly stated the facts necessary for adjudication of the controversy at hand are : Assessee has declared total income of Rs.1,43,56,716/- during the year under assessment. During the assessment proceedings, Assessing Officer noticed expenses of Rs.3,10,074/-, Rs.6,04,438/- and Rs.9,18,183/- on account of telephone expenses, vehicle running expenses and travelling expenses respectively. Declining the contentions of the assessee, AO disallowed 10% of the amount incurred on these expenses on account of element of personal expenses and made addition of Rs.1,83,270/- to the total income of the assessee.

3. Assessee carried the matter by way of appeal before the Id. CIT (A) who has partly allowed the appeal. Feeling aggrieved, the assessee has come up before the Tribunal by way of filing the present appeal.

4. We have heard the Id. Authorized Representatives of the parties to the appeal, gone through the documents relied upon and orders passed by the revenue authorities below in the light of the facts and circumstances of the case.

5. Undisputedly, as against the total addition of Rs.1,83,270/- on account of telephone, traveling etc. expenses made by AO , the assessee had suo motu disallowed an amount of Rs.30,000/- on account of telephone for personal expenses and on car maintenance for personal use (Rs.5,000/- + Rs.25,000/-). It is also not in dispute that the AO has not set off these suo motu disallowance of Rs.30,000/- made by the assessee

while disallowing the 10% of the expenses on account of element of personal use. It is also not in dispute that the Id. CIT (A) by granting part relief has given the set off of Rs.30,000/- suo moto disallowed by the assessee from the total disallowance made by AO.

6. In the backdrop of the aforesaid facts and circumstances of the case we are of the considered view that in case of turnover of Rs.1,43,56,716/-, element of personal use of telephone, vehicle and travelling cannot be ruled out to the extent of 10% of the said expenses disallowed by the AO. CIT (A) has rightly confirmed the disallowance @ 10% of the aforesaid telephone, vehicle & maintenance and travelling expenses by giving set off of Rs.30,000/- suo moto disallowed by the assessee. So, finding no illegality or perversity in the impugned order, present appeal filed by the assessee is hereby dismissed.

**Order pronounced in open court on this 17<sup>th</sup> day of September, 2018.**

**Sd/-  
(G.D. AGRAWAL)  
PRESIDENT**

**sd/-  
(KULDIP SINGH)  
JUDICIAL MEMBER**

**Dated the 17<sup>th</sup> day of September, 2018**

**TS**

Copy forwarded to:

- 1.Appellant
- 2.Respondent
- 3.CIT
- 4.CIT(A)-17, New Delhi.
- 5.CIT(ITAT), New Delhi.

**AR, ITAT  
NEW DELHI.**