

IN THE INCOME TAX APPELLATE TRIBUNAL
PUNE BENCH "SMC", PUNE

BEFORE SHRI R.S. SYAL, VICE PRESIDENT

आयकर अपील सं. / ITA No.310/PUN/2021

निर्धारण वर्ष / Assessment Year : 2017-18

Jaykumar Mangilal Nagori, 10/A, Indu Chambers, Mumbai Pune Road, Wakdewadi, Pune 411 003 PAN : AAIPN4131D	Vs.	ITO, Ward-2(3), Pune
Appellant		Respondent

Assessee by Shri Pramod Shingte
Revenue by Shri Piyush Kumar Singh Yadav

Date of hearing 28-06-2022
Date of pronouncement 28-06-2022

आदेश / ORDER

PER R.S. SYAL, VP :

This appeal by the assessee is directed against the order passed by the National Faceless Appeal Centre (NFAC), Delhi on 09-06-2021 in relation to the assessment year 2017-18.

2. The only issue raised through various grounds is against the confirmation of disallowance at 30% of depreciation on motor car; conveyance expenses; and interest on car loan.

3. Briefly stated, the facts of the case are that the assessee is engaged in the business. He claimed depreciation on motor car amounting to Rs.8,65,503/-; interest on motor car loan at

Rs.3,33,915/- and conveyance expenses at Rs.37,050/-. The assessee was called upon to produce the car log book for demonstrating that the car was used only for business purposes. The assessee admitted that no such log book was maintained. Considering the fact that the tax audit report also depicted that personal element was involved in the vehicle expenses, the AO disallowed 30% of car depreciation, interest on such car loan and conveyance expenses. The Id. CIT(A) countenanced the disallowance.

4. I have considered the rival submissions and perused the relevant material on record. It is indisputable that the assessee could not lead any evidence to demonstrate that the user of the car was restricted only to business purposes and did not percolate for personal use. Even the auditor has also mentioned that the personal element in vehicle expenses could not be ignored. This shows that the car was partly used for business and partly for personal purpose. In such circumstances, disallowance of some percentage of the expenses in connection with the running of car is warranted. Keeping into consideration the peculiarity of the facts and circumstances of case under consideration, I am of the

considered opinion that the ends of justice would meet adequately if the disallowance is restricted to 15% of such expenses and allowance instead of 30% as sustained in the first appeal. I order accordingly.

5. In the result, the appeal is partly allowed.

Order pronounced in the Open Court on 28th June, 2022.

Sd/-
(R.S.SYAL)
उपाध्यक्ष/ VICE PRESIDENT

पुणे Pune; दिनांक Dated : 28th June, 2022
Satish

आदेश की प्रतिलिपि □ ग्रेषित/Copy of the Order is forwarded to:

1. अपीलार्थी / The Appellant;
2. प्रत्यर्थी / The Respondent
3. The NFAC, Delhi
4. The CIT concerned
5. DR, ITAT, 'SMC' Bench, Pune
6. गार्ड फाईल / Guard file.

आदेशानुसार/ BY ORDER,

// True Copy //

Senior Private Secretary
आयकर अपीलीय अधिकरण ,पुणे / ITAT, Pune

		Date	
1.	Draft dictated on	28-06-2022	Sr.PS
2.	Draft placed before author	28-06-2022	Sr.PS
3.	Draft proposed & placed before the second member		JM
4.	Draft discussed/approved by Second Member.		JM
5.	Approved Draft comes to the Sr.PS/PS		Sr.PS
6.	Kept for pronouncement on		Sr.PS
7.	Date of uploading order		Sr.PS
8.	File sent to the Bench Clerk		Sr.PS
9.	Date on which file goes to the Head Clerk		
10.	Date on which file goes to the A.R.		
11.	Date of dispatch of Order.		

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