



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 28<sup>th</sup> June, 2022.

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

Pune; Dated : 28<sup>th</sup> June, 2022

*Satish*

**Copy of the Order is forwarded to:**

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

BY ORDER,

Senior Private Secretary  
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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