

**IN THE INCOME TAX APPELLATE TRIBUNAL
“C” BENCH, AHMEDABAD**

**BEFORE SHRI WASEEM AHMED, ACCOUNTANT MEMBER &
Ms. MADHUMITA ROY, JUDICIAL MEMBER**

आयकर अपील सं./I.T.A. No. 758/Ahd/2023
(निर्धारण वर्ष / Assessment Year : 2013-14)

ITO Ward -3(1)(1), Ahmedabad	बनाम/ Vs.	Rajeshri Avas Developers Private Limited A-9, Anupam Colony, LBS Road, Opp. Chirag Diamond, Bapunagar, Gujarat 380024
स्थायी लेखा सं./जीआइआर सं./PAN/GIR No. : AAACR9139G		
(अपीलार्थी /Appellant)	..	(प्रत्यर्थी / Respondent)

अपीलार्थी ओर से /Appellant by :	None
प्रत्यर्थी की ओर से/Respondent by :	Shri Ashok Kumar Suthar, Sr. D.R.

सुनवाई की तारीख / Date of Hearing	07/02/2024
घोषणा की तारीख /Date of Pronouncement	27/02/2024

ORDER

PER Ms. MADHUMITA ROY - JM:

The instant appeal filed at the behest of the Revenue is directed against the order dated 21.07.2023 passed by the National Faceless Appeal Centre (NFAC), Delhi, arising out of the penalty order dated 27.03.2019 passed by the ITO, Ward-3(1)(1),

Ahmedabad under Section 271(1)(c) of the Income Tax Act, 1961, (hereinafter referred to as 'the Act') for Assessment Year 2013-14.

2. The matter relates to levy of penalty under Section 271(1)(c) of the Act on account of bogus purchase. The assessment under Section 143(3) of the Act was finalized on 26.03.2016 assessing total income at Rs.3,97,36,810/- on account of bogus purchases which was further confirmed by the First Appellate Authority. Parallely, the penalty proceeding under Section 271(1)(c) of the Act initiated against the assessee was finalized upon levying penalty of Rs.1,26,26,237/-, which was further confirmed by the First Appellate Authority.

3. On the other hand, the quantum appeal preferred by the assessee before the Tribunal was allowed upon deletion of addition made in the assessment order dated 26.03.2016 by passing the order in ITA No. 1105/Ahd/2018 dated 06.08.2021. In that view of the matter, in our considered opinion, since the addition has been deleted by the Ld. Tribunal, the penalty under Section 271(1)(c) of the Act imposed on the basis of such addition has lost

its force and, therefore, rightly deleted by the Ld. CIT(A). We, therefore, decline to interfere with the said order. The Revenue's appeal is, therefore, found to be devoid of any merit and thus dismissed.

4. In the result, the appeal of the Revenue is dismissed.

This Order pronounced on 27/02/2024

Sd/-
(WASEEM AHMED)
ACCOUNTANT MEMBER
Ahmedabad; Dated 27/02/2024
S. K. SINHA

Sd/-
(MADHUMITA ROY)
JUDICIAL MEMBER

True Copy

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

आदेशानुसार/ BY ORDER,

उप/सहायक पंजीकार (Dy./Asstt. Registrar)
आयकर अपीलीय अधिकरण, अहमदाबाद / ITAT, Ahmedabad