

**IN THE INCOME TAX APPELLATE TRIBUNAL,
DELHI BENCH: 'E' NEW DELHI**

**BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER
AND
SHRI MANISH AGARWAL, ACCOUNTANT MEMBER**

ITA Nos.5023 & 5024/Del/2025
Assessment Year: 2013-14

M/s. Rama Food Grain Co. 4128, 1 st Floor, Naya Bazar, Delhi	Vs.	Income Tax Officer, Ward-47(1), Delhi
PAN: AAAGR3163R		
(Appellant)		(Respondent)

Assessee by	Sh. Rakesh Jain, Adv. Sh. Gurjeet Singh, CA
Department by	Ms. Ankush Kalra, Sr. DR

Date of hearing	02.12.2025
Date of pronouncement	02.12.2025

ORDER

PER SATBEER SINGH GODARA, JM

These assessee's twin appeals ITA Nos.5023 & 5024/Del/2025 for assessment year 2013-14, arise against the Commissioner of Income Tax (Appeals)/National Faceless Appeal Centre [in short, the "CIT(A)/NFAC"], Delhi's orders dated 26.06.2025 and 04.07.2025 having DINs and orders no. ITBA/NFAC/S/250/2025-26/1077862475(1) and ITBA/NFAC/S/250/2025-26/1078181316(1), involving proceedings under section

147 r.w.s. 144 and 271(1)(b) of the Income-tax Act, 1961 (hereinafter referred to as 'the Act'), respectively.

Heard both the parties. Case files perused.

2. We advert to the assessee's quantum appeal ITA No.5023/Del/2025 wherein it raises its sole substantive ground challenging both the learned lower authorities' action treating its purchases amounting to Rs.78,74,673/- sourced from M/s. Rishab Trading Company as bogus under section 69C of the Act, in assessment order dated 25.03.2022 as upheld in the lower appellate discussion.

3. That being the case, both the parties vehemently reiterate their respective stands against and in support of the impugned bogus purchases disallowance. We wish to make it clear that there is no dispute in principle that the assessee is engaged in wholesale and retail grain business all along. And that it's corresponding sales have nowhere been questioned in both the lower proceedings. Various recent judicial precedents (2025) 173 taxmann.com 592 (Guj.) Ravjibhai Becharbhai Dhamelia vs. ACIT; (2024) 160 taxmann.com 110 (Bom) PCIT Vs. Hitesh Mody (HUF), (2024) 160 taxmann.com 93 (Del) PCIT Vs. Forum Sales (P) Ltd.; (2025) 172

taxmann.com 283 (Bom) PCIT Vs. Kanak Impex (India) Ltd; (2025) 178 taxmann.com 424 (Del. – Trib.) DCIT Vs. Kohinoor Foods Ltd.; and (2025) 177 taxmann.com 836 (Delhi-trib.) DCIT Vs. Tirupati Matsup (P.) Ltd. have recently decided the instant issue of bogus purchases with divergent views as well.

4. We thus deem it appropriate in the larger interest of justice that a *lumpsum* disallowance @ 3% of the assessee's alleged bogus purchases amounting to Rs.78,74,673/- would be just and proper with a rider that the same shall not be treated as a precedent. Necessary computation shall follow as per law. The assessee's former appeal ITA No.5023/Del/2025 is partly allowed.

5. Next comes the correctness of both the learned lower authorities' imposing non-cooperation penalty of Rs.10,000/- forming subject matter of adjudication in the assessee's latter appeal ITA No.5024/Del/2025. Suffice to say, there is hardly any dispute that the learned assessing authority had framed the above assessment in its case based on all the books of account etc. filed during the course of assessment. We thus conclude that the assessee's alleged non-cooperation in such an instance could indeed be attributable to various communication gaps etc. The

impugned penalty of Rs.10,000/- is deleted in very terms therefore.

This appeal is allowed.

6. To sum up, the assessee's former appeal ITA No.5023/Del/2025 is partly allowed and the latter appeal ITA No. 5024/Del/2025 is allowed.

Order pronounced in the open court on 2nd December, 2025

Sd/-
(MANISH AGARWAL)
ACCOUNTANT MEMBER

Sd/-
(SATBEER SINGH GODARA)
JUDICIAL MEMBER

Dated: 18th December, 2025.

RK/-

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asst. Registrar, ITAT, New Delhi