

**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 No.1539, 1538 & 1537/Del/2025
Assessment Years: 2018-19, 2019-20 & 2020-21,

Sh. Devinder Singh, H-51, Shivaji Park, Punjabi Bagh, New Delhi	Vs.	DCIT, Central Circle-30, New Delhi
PAN: AANPS6149P		
(Appellant)		(Respondent)

Assessee by	Sh. K. Sampath, Adv. Sh. Rajkumar, Adv.
Department by	Ms. Ankush Kalra, Sr. DR

Date of hearing	27.01.2026
Date of pronouncement	27.01.2026

ORDER

PER SATBEER SINGH GODARA, JM

These assessee's three appeals ITA Nos. 1539, 1538 & 1537/Del/2025 for assessment years 2018-19, 2019-20 and 2020-21, arise against the Commissioner of Income Tax (Appeals)-30 [in short, the "CIT(A)"], New Delhi's orders, all dated dated 13.01.2025 having DINs and orders nos. ITBA/APL/M/250/2024-25/1072121889(1), ITBA/APL/M/250/2024-25/1072122084(1)

and ITBA/APL/M/250/2024-25/1072121248(1), involving proceedings under section 153C r.w.s. 143(3) of the Income-tax Act, 1961 (hereinafter referred to as 'the Act'), respectively.

Heard both the parties. Case files perused.

2. It emerges during the course of hearing that the assessee raises his sole substantive ground challenging both the learned lower authorities' action treating his purchases amounting to Rs.7,83,720/- in AY 2018-19, Rs.2,33,64,343/- in AY 2019-20 and Rs.2,13,37,026/- in AY 2020-21 sourced from M/s. Sanjay Jain group, as bogus ones under section 69C of the Act, in assessment orders, all dated 20.03.2023, for AYs 2018-19, 2019-20 and 2020-21 respectively, as upheld in the respective 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 a govt. contractor and also engaged in construction of roads and buildings all along wherein possibility of cash turnover in such an unorganized activity could not be altogether ruled out. And that his

corresponding receipts and sales therefrom 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 decided the instant issue of bogus purchases with divergent views; both accepting or partly allowing or rejecting the same in entirety as well.

4. Faced with these peculiar facts, it is thus deemed appropriate in the larger interest of justice that a *lumpsum* disallowance @ 5% of the assessee's alleged bogus purchases amounting to Rs.7,83,720/- in AY 2018-19, Rs.2,33,64,343/- in AY 2019-20 and Rs.2,13,37,026/- in AY 2020-21 or @ of his regular GP declared thereupon; whichever is higher, would be just and proper with a rider that the same shall not be treated as a precedent. The

assessee's book entries are hereby rejected to the very extent.

Necessary computations shall follow as per law.

No other ground or argument has been pressed.

5. These assessee's three appeals ITA Nos. 1539, 1538 & 1537/Del/2025 are partly allowed in above terms. A copy of this common order be placed in the respective case files.

Order pronounced in the open court on 27th January, 2026

Sd/-
(MANISH AGARWAL)
ACCOUNTANT MEMBER

Sd/-
(SATBEER SINGH GODARA)
JUDICIAL MEMBER

Dated: 15th February, 2026.

RK/-

Copy forwarded to:

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

Asst. Registrar, ITAT, New Delhi