

**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.3389/Del/2025  
Assessment Year: 2016-17

Income Tax Officer, New Delhi	<b>Vs.</b>	Advermark Wiresmith Pvt. Ltd. 383, FIE, Patparganj Industrial Area, Delhi
<b>PAN: AAGCA8665C</b>		
<b>(Appellant)</b>		<b>(Respondent)</b>

Assessee by	Sh. K. Sampath, Adv. Sh. Rajkumar, Adv.
Department by	Sh. Yogeshwar Sharma, Sr. DR

Date of hearing	29.01.2026
Date of pronouncement	29.01.2026

**ORDER**

**PER SATBEER SINGH GODARA, JM**

This Revenue's appeal for assessment year 2016-17, arises against the Commissioner of Income Tax (Appeals)/National Faceless Appeal Centre [in short, the "CIT(A)/NFAC"], Delhi's DIN and order no. ITBA/NFAC/S/250/2024-25/1074956578(1), dated 24.03.2025, involving proceedings under section 147 r.w.s. 144 of the Income-tax Act, 1961 (hereinafter referred to as 'the Act').

Heard both the parties. Case file perused.

2. Learned departmental representative vehemently argues during the course of hearing that the CIT(A)/NFAC has erred in law and on facts in deleting the Assessing Officer's action disallowing the assessee's entire bogus purchases of Rs.17,82,500/- sourced from M/s. R.K. Enterprises.

3. That being the clinching factual position, the Revenue could hardly dispute that 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. 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.17,82,500/-, 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.

4. This Revenue's appeal is partly allowed.

*Order pronounced in the open court on 29<sup>th</sup> January, 2026*

**Sd/-**  
**(MANISH AGARWAL)**  
**ACCOUNTANT MEMBER**

**Sd/-**  
**(SATBEER SINGH GODARA)**  
**JUDICIAL MEMBER**

Dated: 26<sup>th</sup> February, 2026.

RK/-

Copy forwarded to:

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

Asst. Registrar, ITAT, New Delhi