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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ ITA 777/2025

PR. COMMISSIONER OF INCOME TAX –GHAZIABAD

.....Appellant

Through: Mr. Ruchir Bhatia, SSC with Mr.Anant Mann & Mr. P Gupta, JSCs

versus

RAMA ALLIED PRODUCTS MARKETING PVT. LTD.

.....Respondent

Through: Mr. Rohit Jain, Mr. Deepesh Jain & Mr. Ram Krishna Rao, Advs.

**CORAM:**
**HON'BLE MR. JUSTICE DINESH MEHTA**
**HON'BLE MR. JUSTICE VINOD KUMAR**

**O R D E R**

**% 22.04.2026**

**CM APPL. 81376/2025 (delay in filing the appeal)**

1. This is an application filed by the appellant seeking condonation of 110 days' delay in filing the appeal.

2. For the reasons stated therein, the application is allowed and the delay of 110 days in filing the appeal stands condoned.

3. The application is disposed of.

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4. By way of the present appeal filed under Section 260 A of the Income Tax Act, 1961 (*hereinafter referred to as 'the Act of 1961'*), the appellant has challenged the order dated 28.02.2025, passed by the Income Tax Appellate Tribunal, Delhi Bench "F", New Delhi. (*hereinafter referred to as 'the Tribunal'*) and proposed the following substantial questions of law:

(i) *Whether on the facts, circumstances and in law, the order of the ITAT is perverse as the appeal of revenue has been dismissed refuting each allegation which were based on the material on record and holding that all the allegations were unsustainable, ignoring the plethora of evidence which is bringing out that the fraudulent nature of the transactions of the assessee?*

*(ii) Whether on the facts, circumstances and in law, ITAT has erred in deleting the additions made by the Assessing Officer on account of alleged bogus purchases from M/s Raghubir Singh Devindra Kumar without properly considering the crucial incriminatory statements from the proprietors of the seller concern, transporter owners, and key employees of the assessee such as Mr Sanjay Mudgal. These statements explicitly pointed towards manipulation and non-genuine nature of the transactions, which the ITAT failed to reconcile with the documentary evidence?*

*(iii) Whether on facts and circumstances and in law, the ITAT has erred in relying on invoices, transport receipts, ledger details, and bank statements produced by the assessee to establish genuineness of purchases, which did not adequately address the material discrepancies and contradictions in the documents, including inconsistent transportation vehicle details and failure to maintain stock reconciliation, which are fundamental to verify actual receipt and consumption of goods?*

*(iv) Whether on facts and circumstances and in law, the ITAT has erred in allowing the appeal filed by the Assessee by not*

*considering the facts that the payment through banking channel to the supplier does not ipso facto validate the genuineness of purchases, especially where the transport payments were made by the supplier being common modus operandi in bogus transactions designed to mislead the Revenue Authorities?*

*(v) Whether on the facts, circumstances and in law, the ITAT has erred in failing to appreciating the reasoning adopted by the AO in making the addition of Rs. 12,94,429/- on account of un-reconciled turnover based on the data seized during the course of search and seizure operation by holding that the same relate to M/s Rush Unit Purchase A/c without any further verification?*

*(vi) Whether on the facts, circumstances and in law, the ITAT has erred in deleting addition of Rs. 12,75,741/- made on account of different stock verified from the closing stock as appearing in the books of the assessee with the physical stock available on the date of survey, which was confirmed by CIT(A) overlooking the fact that the said, addition was made after proper reconciliation of stock at the time of survey and subsequently confirmed by the CIT(A)?*

5. Learned senior standing counsel for the appellant-Department argued that the Appellate Authority has deleted the addition without properly appreciating the facts and material on record.

6. Learned senior standing counsel for the appellant-Department invited Court's attention towards para No. 3 of the conclusion of the remand report sent by the Assessing Officer to the Appellate Authority and highlighted that it has been reported that cheque books of M/s Devender Kumar were

found/recovered from assessee's possession.

7. Learned counsel for the respondent while maintaining that the addition was rightly deleted and the same is based on proper appreciation of evidence, argued that, in any case, the same do not give rise to any question of law much less a substantial question of law. He submitted that this Court, in its limited jurisdiction under Section 260A of the Act of 1961, would not go into the appreciation of evidence.

8. We feel that though all other issues are questions of fact but following question does arise from the order of the Tribunal :

> *(a) Whether possession of cheque books of the three concerns from whom the purchase bills were allegedly procured and the statement of Mohan Lal Gupta and Devender Kumar (that they have provided bills to the petitioner) are not enough to conclude that the respondent-assessee had procured the bogus purchase bills?*

9. At this juncture, learned counsel for the respondent pointed out that even if this question is framed and decided against the assessee, then also the total addition amounts to Rs.24 lakhs. He argued that the appeal would not be maintainable in light of Circular No.5/2024 dated 15.03.2024 and Circular No.9/2024 dated 17.09.2024 issued by Central Board of Direct Taxes.

10. Having heard the parties and upon perusal of record, we find that the basic grievance that has been raised by the appellant in the present appeal is in relation to the addition of Rs.9,12,34,171/- *vis-à-vis* M/s Sachin Traders.

11. Question Nos.1 to 6 as proposed by the appellant show that they pertain to appreciation of evidence and finding of facts and do not warrant

interference of this Court in the limited jurisdiction under Section 260A of the Act of 1961.

12. Further, since the tax effect in the instant appeal falls below the limits prescribed in CBDT Circular No.5/2024 dated 15.03.2024 read with Circular No. 9/2024 dated 17.09.2024, the appeal is liable to be dismissed.

13. The appeal is, therefore, dismissed.

**DINESH MEHTA, J**

**VINOD KUMAR, J**

**APRIL 22, 2026/**kk