lgc

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX APPEAL NO. 284 OF 2024

Pr. Commissioner of Income Tax 19
Mumbai : Appellant.
Versus
Narendra Chowdhary : Respondent

Mr. Akhileshwar Sharma, (Through V.C.), for the Appellant.

CORAM M.S. Sonak &
Advait M Sethna, JJ.
DATED: 07 November 2025

PC:-

1. Heard Mr. Akhileshwar Sharma for the Appellant.

2. Mr. Sharma submits that though the tax effect in this Appeal is less than Rs.2 Crores, this is a matter involving bogus invoices/purchases, and therefore, would fall within the exemption.

3. Accordingly, we have heard Mr. Sharma on merits of the questions proposed in the Appeal Memo.

4. Although, this is a case of bogus purchases, the Assessing Officer chose to make an addition of only 12.5% by estimating the gross profit at 12.5% of the turnover. This was never challenged by the revenue in any proceedings. On Appeal, the Commissioner of Income Tax (Appeals) reduced this estimation to 7.45%. This has been upheld by the ITAT.

5. Thus, this is mainly a matter relating to the estimation of gross profit. In such circumstances, we have declined to entertain several Appeals on the ground that an issue of mere estimation of gross profit does not give rise to any substantial question of law. The position where the Assessing Officer has made an addition of 100% would be different and has been treated differently by this Court in several decided matters on this subject.

6. Therefore, we are satisfied that this Appeal does not raise any substantial question of law. Consistent with our earlier orders made in similar circumstances, including the order dated 22 January 2025 disposing of Income Tax Appeal Nos. 517 of 2021 and 528 of 2021 we dismiss this Appeal without any order for costs.

(Advait M Sethna, J) **(M.S. Sonak, J)**