

Moti B. Totlani

That Assessing Officer received information from sales-tax authorities that assessee had made bogus purchases from hawala parties accordingly, added entire amount to income of assessee - However, Tribunal restricted quantum addition at 12.5 per cent of bogus purchases subsequently penalty proceedings were initiated and penalty was levied - Assessee contended that since quantum addition was estimated, no penalty should be levied on estimation of profit it was held that since there were bogus purchases and only profit element had been added which meant that assessee had concealed income to that extent in garb of purchases which turned out to be bogus, penalty u/s 271(1)(c), was confirmed (Sandeep Kewalchand Mehta v. ACIT [Assessment Year 2009-10] [2025] 173 taxmann.com 315 (Mumbai - Trib.) FEBRUARY 19, 2025) That where assessee made claim for first time before DRP, such claim could not be rejected on ground that such claim was not made before Assessing Officer.....