

आयकर अपीलिय अधिकरण, पीठ "A" , कोलकाता  
**IN THE INCOME TAX APPELLATE TRIBUNAL  
BENCH "A" KOLKATA**

समक्ष : श्री मनीष बोरड, लेखा एवं  
श्री संजय शर्मा न्यायिक सदस्य

**Before: Shri Manish Borad, Accountant Member and  
Shri Sonjoy Sarma, Judicial Member**

आयकर अपील सं.य/  
**ITA No.2082/Kol/2018**  
Assessment Year: 2012-13

<b>SARANSH FURNITURE MARKETING P.LTD. 309 B.B. Ganguly Street, Ground Fl., Kolkata-700 012.</b>	<b>बनाम V/s.</b>	<b>Income Tax Officer, Ward 7(3), Aaykar Bhawan, P-7 Chowringhee Square, Kolkata-700 069.</b>
<b>PAN: AAPCS4149C</b>		
अपीलार्थी /Appellant	..	प्रत्यर्थी /Respondent
अपीलार्थी की ओर से/By Appellant	None	
प्रत्यर्थी की ओर से/By Respondent	Md. Ghayasuddin, Ld.CIT/DR	
सुनवाई की तारीख/Date of Hearing	19-09-2022	
घोषणा की तारीख/ Date of Pronouncement	29-09 -2022	

**आदेश /O R D E R**

**PER MANISH BORAD, AM.**

This appeal of the assessee for the assessment year 2012-13 is directed against the order dt. 27-06-2018 passed u/s. 250 of the Income-tax Act, 1961 [ hereinafter, referred to as 'the Act'] by the Id. Commissioner of Income-tax, Appeals [ in short, hereafter referred to as 'the 'Id. CIT(A)-18, Kolkata.

2. Registry has informed that the appeal is time barred by 17 days. Condonation application has been filed by the assessee. It has been stated that the order u/s.250 of the Income Tax Act, 1961, dt.27.06.2018 for the AY 2012-13, passed by the CIT(A)-18/Kolkata was received by office assistant on 19.07.2018. However, he didn't bring it to the knowledge of the management and proceeded on leave. Hence, the said order remained unnoticed till 26.09.2018. The management scrutinized the order on that very date and decided to file appeal against the additions/disallowances made therein. Due to this reason, the appeal against the order dt.27.06.2018 u/s.250 of the Income Tax Act, 1961 couldn't be filed in time. As the order was received on 19.07.2018, the limitation for filing appeal in this case expired on 18.09.2018 and thus, there is a delay of 17 days in filing the present appeal.

3. We have perused the application for condonation of delay and find that the assessee was prevented by sufficient reason from filing the appeal in time. Therefore, the impugned delay of 17 days is condoned and the appeal is admitted for adjudication on merits.

4. When the case was called for, none appeared on behalf of assessee. A perusal of file shows that number of notices of hearing were sent including few through RP/AD, which have been returned unserved by the postal department. Assessee has not filed any paper book or written submissions. It seems that assessee is not interested to pursue this appeal. We, therefore, deem it proper to adjudicate the appeal on merits *ex parte qua* the assessee on the basis of material available on record and the assistance of the Id. DR.

5. The assessee has raised the following grounds of appeal for the AY 2012-13:-

01. That under the facts & circumstances of the case, the Ld. CIT(A) erred in passing order ex-parte.
02. That under the facts and in the circumstances of the case, the order u/s. 144 of the Income Tax Act, 1961 passed by the AO is bad in law.
03. That under the facts & circumstances of the case, Ld. CIT(A) erred in confirming the addition of a sum of Rs. 23,49,50,000/- made by the AO holding the same to be unexplained cash credit u/s. 68 of the Income Tax Act, 1961. The addition is unjustified and hence need to be deleted.
04. That the appellant craves leave to add, alter, amend or withdraw any ground or grounds of this appeal.

6. Brief facts of the case are that the assessee is a private limited company. The source of income is stated to be from interest income and contractual business. Income at Rs.870/- declared in return of income filed on 27.09.2012 for the AY 2012-13. Case selected for scrutiny through CASS (Computer Assisted Scrutiny Selection) followed by serving of statutory notices u/s. 143(2) and 142(1) upon the assessee. But there was no compliance to the notices. AO, therefore, proceeded to frame best judgment assessment u/s. 144 of the Act. On examination of ITR-6 for the AYs. 2011-12 & 2012-13 downloaded from ITD portal, the AO noticed that the assessee company was incorporated on 01.03.2011. Since copy of audited balance sheet was not filed before the Id.AO, on examination of balance sheet in the return (ITR-6) he found that the paid up capital of the assessee company is at Rs.1,22,11,575/- and security premium is at Rs. 22,28,38,525/-. The Id. AO was not satisfied with the genuineness of share capital and share premium/security premium received by the assessee company. He accordingly completed/passed the best judgment assessment order u/s. 144 of the Act making addition u/s. 68 of the Act for unexplained share

capital and security premium received during the year totalling to Rs. 23,49,50,000/- and also disallowed Rs.18,343/- u/s. 14A of the I.T Act, 1961.

7. Aggrieved, the assessee preferred appeal before the Id. CIT(A) challenging the impugned additions made u/s. 68 of the Act at Rs. 23,49,50,000/- and Rs. 18,343/- made u/s. 14A of the Act. Apart from filing appeal, the assessee made no further efforts before the Id. CIT(A) to appear and file any other documentary evidence in support of its claim. As the assessee failed to do so, Ld. CIT(A) confirmed the addition.

8. Aggrieved, now the assessee is in appeal before this Tribunal. Again the assessee failed to appear before us on any of the dates of hearing. Except filing this appeal and an affidavit for condonation of delay no other details are filed. Even Power of Attorney for appointment of authorised representative is also not filed. It clearly indicates that the assessee is only trying to delay the proceeding and has nothing to place on record. On the other hand, the Id. DR vehemently argued supporting the orders of lower authorities and prayed for confirming the order of Id. CIT(A).

9. We have heard the rival contentions and perused the material placed on record before us. The assessee has challenged the finding of the Id. CIT(A) confirming the addition made u/s. 68 of the Act at Rs. 23,49,50,000/- by the Id.AO for unexplained cash credits of share capital and security premium received during the year. We notice that the assessee company was incorporated on 01.03.2011 and had offered

meagre income of Rs. 870/- for the AY 2012-13. Surprisingly the assessee company has been able to procure share capital at Rs. 1,21,11,475 and security premium on this share capital at Rs. 22,28,38,525/- during the year. Statutory notice u/s. 143(2) of the Act duly served upon the assessee and when the case of the assessee was selected for scrutiny the assessee company having such huge Capital and Security Premium Reserve failed to make any representation before the Id.AO. Even after providing sufficient opportunity by Id.AO no submission was made either before the Id.AO nor before Id. CIT(A) and nor before us. The assessee was asked to explain the cash credits received by it during the year. The assessee failed to file necessary details to explain the source of alleged cash credit and also unable to prove identity, creditworthiness of the shareholders as well as genuineness of the transaction. The assessee company has miserably failed to explain the source of alleged cash credit. If the assessee had sufficient details to explain the alleged sum, it could have certainly filed those details. Consistently escaping from appearing before the Id. AO and the appellate authority(Id.CIT-A) indicates that the assessee has no plausible explanation to explain the source of alleged sum of share capital and security premium. Therefore, the provisions of section 68 of the Act are squarely applicable on the alleged transaction and it can be safely concluded that the assessee had unaccounted income, which has been routed in the books through bogus/accommodation entry in the form of share capital and security premium.

10. We, therefore, under these facts and circumstances, find no infirmity in the finding of the Id. CIT(A) confirming the addition of

Rs.23,49,50,000/- made u/s. 68 of the Act. Thus, all the grounds of appeal raised by the assessee are dismissed.

11. In the result, the appeal of assessee is dismissed.

Order pronounced in the open court on..29-09-2022

Sd/-  
( SONJOY SARMA)  
JUDICIAL MEMBER

Sd/-  
(MANISH BORAD)  
ACCOUNTANT MEMBER

Dated :29 -09-2022

\*\*PP/SPS

आदेश की प्रतिलिपि अग्रेषित / Copy of Order Forwarded to:-

- 1.अपीलार्थी/Appellant/: **SARANSH FURNITURE, MARKETING P.LTD.309 B.B. Ganguly Street, Ground Fl., Kolkata-700 012.**
2. प्रत्यर्थी/Respondent/:**Income Tax Officer, Ward 7(3), Aaykar Bhawan, P-7 Chowringhee Square, Kolkata-700 069.**
3. संबंधित आयकर आयुक्त / Concerned CIT
4. आयकर आयुक्त- अपील / CIT (A)
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण कोलकाता / DR, ITAT, Kolkata
- 6.गार्डफाइल/Guardfile.

By order/आदेश से, /True Copy/

Assistant Registrar  
ITAT, Kolkata