

आयकर अपीलीय अधिकरण  
कोलकाता 'ए' पीठ, कोलकाता में  
**IN THE INCOME TAX APPELLATE TRIBUNAL  
KOLKATA 'A' BENCH, KOLKATA**

डॉ मनीष बोर्ड, लेखा सदस्य

एवं

श्री संजय शर्मा, न्यायिक सदस्य

के समक्ष

**Before**

**DR. MANISH BORAD, ACCOUNTANT MEMBER**

**&**

**SONJOY SARMA, JUDICIAL MEMBER**

आयकर अपील संख्या: 965/कोल/2018

निर्धारण वर्ष: 2012-13

**I.T.A. No.: 189/Kol/2019**

**Assessment Year: 2012-13**

***M/s. Visa Sales Pvt. Ltd.....Appellant***  
***[PAN: AADCV 1161 H]***

***Vs.***

***ITO, Ward-1(3), Kolkata.....Respondent***

**Appearances by:**

*None appeared on behalf of the Assessee.*

*Shri Vijay Kumar, ACIT, Sr. DR appeared on behalf of the Revenue.*

Date of concluding the hearing : September 21<sup>st</sup>, 2022

Date of pronouncing the order : September 29<sup>th</sup>, 2022

**आदेश / O R D E R**

**PER SONJOY SARMA, JUDICIAL MEMBER:**

This appeal of the assessee for the assessment year 2012-13 is directed against the order dated 03.08.2015 passed by the Id. Commissioner of Income-tax, Appeals [in short, hereinafter referred to as 'the 'Id. CIT(A)-1, Kolkata].

2. 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.

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

*“i. On the facts and in the circumstances of the case the ld. AO erred in holding and ld. CIT(A) erred in confirming that the return filed u/s 142(1) on 09.06.2014 was invalid.*

*ii. On the facts and in the circumstances of the case, the ld. AO erred in proceeding to assess the taxable income u/s 143(3) ignoring the books of accounts and annual audited financial statements of the assessee and the ld. CIT(A) erred in confirming the assessment.*

*iii. On the facts and in the circumstances of the case, the ld. AO and also the ld. CIT(A) erred by not providing reasonable opportunity of being heard.*

*iv. On the facts and in the circumstances of the case, the ld. AO erred in adding back Rs. 3,31,00,000/- u/s 68 of the IT Act, although there was no cash credit as per books of accounts of the company.*

*v. The assessee craves leave to adduce further grounds on or before the hearing of the appeal.”*

4. Brief facts of the case are that the assessee is a private limited company. The source of income is stated to be from investment in shares. Income at Rs. 4,131/- declared in e-return of income filed on 14.09.2012 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. The A/R of the assessee time to time appeared before the Id. AO and produced the copies of books of account, audited accounts and other relevant

details/documents in support of return as filed. The Id. AO observed that the assessee company has received an amount of Rs. 3,31,00,000/-/- as share subscription being share capital/share premium from the directors. Thereafter, the Id. AO issued notices u/s. 131 of the Act to appear personally along with relevant details/documents for examination/verification of (i) identity (ii) existence/identity/sources of funds and creditworthiness (iii) genuineness of the transaction. But the alleged creditors who have subscribed the amounts in the assessee company did not appear before the Id. AO for the same and remained non-compliance. Therefore, the Id. AO proceeded to frame the assessment u/s. 143(3) of the Act on the basis of as material available before him. The Id. AO was not satisfied with the identity, creditworthiness and genuineness of said transaction of share capital/share premium of Rs. 3,31,00,000/- received by the assessee company from the alleged subscribers/creditors. He accordingly completed/passed the assessment u/s. 143(3) of the Act making addition u/s. 68 of the Act for unexplained cash credit of Rs. 3,31,00,000/- and assessed assessee's income at Rs. 3,31,04,130/-.

5. Aggrieved, the assessee preferred appeal before the Id. CIT(A) challenging the impugned addition made u/s. 68 of the Act at Rs. 3,31,00,000/-. Apart from filing appeal, the assessee made no further efforts before the Id. CIT(A) did not file any other documentary evidence in support of its claim. As the assessee failed to do so, Id. CIT(A) confirmed the addition.

6. 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 before us. 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).

7. We have heard the Id. DR 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. 3,31,00,000/- by the Id. AO for unexplained cash credits of share capital and security premium received during the year. We notice that the assessee company had offered meagre income of Rs. 4,131/- for the AY 2012-13. The assessee company has been able to procure share capital/share premium at Rs. 3,31,00,000/-. Statutory notice u/s. 131 of the Act duly served upon the alleged directors but none complied. Assessee failed to produce the alleged shareholders before the Id. AO for identity, creditworthiness and genuineness of the transaction. Even after providing sufficient opportunity no submission was made either before the Id. AO and Id. CIT(A) nor before us in this regard. 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 cash creditors as well as genuineness of the transaction as per section 68 of the Act. 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. If the assessee is unable to explain the

alleged cash credit and consistent escaped, the provisions of section 68 of the Act are attracted. Thus, it is held that the assessee has routed its unaccounted income in the books of account in the form of share capital and security premium by arranging bogus share capital and share premium through accommodation entry provider.

8. Therefore, under these facts and circumstances, we find no infirmity in the finding of the Id. CIT(A) confirming the addition of Rs. 3,31,00,000/- made u/s. 68 of the Act and the same is confirmed. Thus, grounds of appeal raised by the assessee are dismissed.

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

Order pronounced in the open Court on 29.09.2022

Sd/-  
(MANISH BORAD)  
ACCOUNTANT MEMBER

Sd/-  
(SONJOY SARMA)  
JUDICIAL MEMBER

Dated : 29.09.2022  
Biswajit, Sr. P.S.

आदेशकीप्रतिलिपिअग्रेषित / Copy of Order Forwarded to:-

- 1.अपीलार्थी/Appellant/: **M/s. Visa Sales Pvt. Ltd., 12A, N.S. Road, 5<sup>th</sup> Floor, Kolkata-700001.**
2. प्रत्यर्थी/Respondent/: **Income Tax Officer, Ward 1(3), Kolkata.**
3. संबंधितआयकरआयुक्त/ Concerned CIT
- 4.आयकरआयुक्त- अपील / CIT (A)
5. विभागीयप्रतिनिधि,आयकरअपीलीयअधिकरणकोलकाता / DR, ITAT, Kolkata
- 6.गार्डफाइल/ Guard file.

True Copy/

By order

Assistant Registrar  
ITAT, Kolkata Benches, Kolkata