

। आयकर अपीलीय अधिकरण न्यायपीठ, कोलकाता ।
IN THE INCOME TAX APPELLATE TRIBUNAL
"C" BENCH, KOLKATA

BEFORE SHRI RAJPAL YADAV, HON'BLE VICE PRESIDENT
AND SHRI GIRISH AGRAWAL, HON'BLE ACCOUNTANT MEMBER

I.T.A. No. 886/Kol/2018
Assessment Year: 2012-13

M/s. Upadan Commodities Pvt. Ltd. 2B, Grant Lane Room No. -27A Kolkata - 700012 PAN : AABCU4201D	Vs	I.T.O., Ward - 3 (1), Kolkata
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अपीलार्थी/ (Appellant)		प्रत्यर्थी/ (Respondent)
Assessee by :		None
Revenue by :		Shri G. Hukugha Sema, CIT, D/R

सुनवाई की तारीख/Date of Hearing : 14/12/2022
घोषणा की तारीख /Date of Pronouncement: 15/12/2022

आदेश/ORDER

PER SHRI RAJPAL YADAV, VICE PRESIDENT:

The present appeal is directed at the instance of the assessee against the order of the Learned Commissioner of Income Tax (Appeal) - 1, Kolkata (hereinafter the "ld. CIT(A)") dt. 12/03/2018, passed u/s 250 of the Income Tax Act, 1961 ("the Act"), for Assessment Year 2012-13.

2. The assessee has taken eleven (11) grounds of appeal. However, its substantial grievance is that the ld. CIT(A) has erred in confirming the addition of Rs.10,01,00,000/- which was added by the Assessing Officer with the aid of Section 68 of the Act on account of bogus share capital as well as premium. Similarly, in the second fold, the grievance of the assessee is that the ld. CIT(A) has erred in confirming the addition of Rs.21,650/- which was added by the Assessing Officer with the aid of Section 14A of the Act.

3. In response to the notice of hearing, originally appearance was put from Shri S.M. Surana, Advocate. However, vide letter dt. 09/12/2022, it has been intimated to the Bench that his office is unable to contact the party and, therefore, withdrew their power of attorney. Earlier also, the Bench had issued notice which was returned without any appearance. It is also pertinent to note that neither before the Assessing Officer nor before the Id. CIT(A), any representation was made by the assessee in spite of due notices issued to it. Under these circumstances, we proceed to dispose of this appeal *ex-parte, qua* the assessee, after hearing the Id. D/R.

4. Brief fact of the case are that the assessee has filed its return of income on 16/12/2012 electronically declaring total income of Rs.2,100/-. Its case was selected for scrutiny assessment and notice u/s 143(2) of the Act was issued and served upon the assessee. On scrutiny of the accounts it was revealed to the Assessing Officer that, the assessee has raised fresh paid up share capital of Rs.11,00,000/- and received share premium of Rs.9,90,00,000/-. The Assessing Officer directed the assessee to submit the identity of the share applicant, their creditworthiness and to demonstrate how the transactions are genuine transactions. The Assessing Officer also issued summons u/s 131 of the Act to the directors of the assessee company asking them to appear in person and also produce the directors of the share holding companies or the persons. All these things remained uncomplished with and accordingly, the Assessing Officer made addition of Rs.10,01,00,000/-.

5. Dissatisfied with the assessment order, the assessee filed an appeal before the Id. CIT(A). The Id. CIT(A) had fixed hearing and issued notice but in spite of adjourning it on three to four occasions, no one came present. The Id. First Appellate Authority has dismissed the appeal by observing

that the assessee has failed to produce any new material to buttress the appeal and to challenge the assessment order.

6. With the assistance of the Id. D/R, we have gone through the records. After perusal of the record, we are of the view that the assessee is a paper company without any real worth. Nobody is prosecuting this litigation. We fail to understand, as to how the assessee filed the appeal against orders of the authorities below but not interested in prosecuting the appeal before the revenue authorities and also before the Tribunal. However, there is nothing on the record which can demonstrate the genuineness of the transactions or the identity and creditworthiness of the alleged share applicant who have contributed Rs.9,90,00,000/- as premium. The assessee failed to demonstrate its financial health which can attract such huge premium on subscription of its shares. Therefore, we do not have any hesitation in concurring with the findings of the Id. CIT(A) and upholding the same.

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

Order pronounced in the Court on 15th December, 2022 at Kolkata.

Sd/-

**(GIRISH AGRAWAL)
ACCOUNTANT MEMBER**

Kolkata, Dated 15/12/2022

**SC Sp/8*

Sd/-

**(RAJPAL YADAV)
VICE-PRESIDENT**



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आदेश की प्रतिलिपि अग्रेषित/Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent
3. संबंधित आयकर आयुक्त / Concerned Pr. CIT
4. आयकर आयुक्त (अपील) / The CIT(A)-
5. विभागीय प्रतिनिधि, अधिकरण अपीलीय आयकर , कोलकाता/DR,ITAT, Kolkata,
6. गार्ड फाईल /Guard file.

आदेशानुसार/ BY ORDER,
TRUE COPY

Assistant Registrar
आयकर अपीलीय अधिकरण
ITAT, Kolkata