

IN THE INCOME TAX APPELLATE TRIBUNAL
[DELHI BENCH "H" : DELHI]

BEFORE SHRI G. S. PANNU, PRESIDENT
A N D
SHRI CHALLA NAGENDRA PRASAD, JUDICIAL MEMBER

आ.अ.सं./I.T.A No. 8546/Del/2019
निर्धारणवर्ष /Assessment Years: 2012-13

M/s. Willard India Ltd., 201, Sheetal House, 73-74, Nehru Place, New Delhi - 110 019.	बनाम Vs.	ACIT, Circle, Bulandshahr.
PAN No. AAACW3212D		
अपीलार्थी / Appellant		प्रत्यर्थी / Respondent

निर्धारितकीओरसे /Assessee by :	N o n e;
राजस्वकीओरसे / Department by :	Shri Anuj Garg; Sr. D. R.

सुनवाईकीतारीख/ Date of hearing :	17/02/2023
उद्घोषणाकीतारीख/Pronouncement on :	13/04/2023

आदेश / O R D E R

PER C. N. PRASAD, J. M. :

1. This appeal is filed by the assessee against the order of the ld. Commissioner of Income Tax (Appeals) Ghaziabad [hereinafter

referred to CIT (Appeals)] New Delhi, dated 27.04.2017 for assessment year 2012-13 in sustaining the disallowance of loss on sale of shares.

2. In spite of service of notice none appeared on behalf of the assessee. The appeal is disposed of on hearing the ld. DR.

3. The assessee company filed its return of income electronically on 13.09.2012 declaring loss of Rs.48,30,790/-. The assessment was completed under section 143(3) of the Income Tax Act, 1961 (the Act) on 30.03.2015 determining the income at Rs.1,57,09,210/-. In the course of assessment proceedings the assessee was asked to justify the loss on sale of shares of M/s. Perfect Career Consultants Pvt. Ltd., claimed at Rs.90,40,000/-. The assessee submitted that it was going into liquidation and it was a commercial transaction and a commercial decision was taken to minimize the loss. Not convinced with the reply the Assessing Officer made addition of Rs.90,40,000/- observing that the transaction is not considered to be genuine and it appears that an arrangement has been made to reduce its taxable profits.

4. On appeal the ld. CIT (Appeals) sustained the addition/disallowance in respect of loss claimed on sale of shares observing as under:-

“7.2 Ground no. 2: The appellant has challenged the disallowance of loss on the sale of shares. During the course of appellate proceedings it has been argued that appellant sold the shares of M/s perfect Career Consultant for a lower than face value price as the company was not doing well.

However the assessing officer pointed out in the remand report that the appellant was asked to furnish relevant documents executed for transferring the shares for an undervalued sale consideration. AO further required appellant to submit in the meeting of the board of directors of the company, made of receiving the consideration and copy of bank account wherein sale proceeds of transferred shares was deposited however appellant did not produce any document to substantiate the transfer of shares. Moreover as mentioned in the remand report the transfer of shares is not reflected in the master data of the company whose shares were sold by appellant i.e. M/S perfect career consulting Private आयुक्त, Limited. Even in the rejoinder to the remand report appellant could not furnish any evidence to the contradict AO's contention. Keeping in view above facts it held that appellant failed to produce evidence in support of its claim of loss on sale of shares and the action of Assessing Officer disallowing the same loss is upheld and this ground of appeal is dismissed.”

5. As could be seen from the above, the Id. CIT (Appeals) called for the remand report from the Assessing Officer and in the course of remand proceedings the assessee was required to furnish documents executed for transferring the shares and also required the assessee to furnish the Minutes of the Board Meeting, copy of bank account to verify the sale proceeds on transferring of shares and it appears that the assessee has not produced any documents to substantiate the transfer of shares. It is also the observation of the Id. CIT (Appeals) that even to rejoinder to remand report the assessee could not furnish any reply/evidence to contradict the Assessing Officer's contentions raised in the remand report. Even before us the assessee has not produced any evidence and explanations to rebut the findings of the Assessing Officer in the remand report as well as the findings of the Id. CIT (Appeals).

Thus, we hold that there is no merit in the appeal of the assessee. Grounds raised by the assessee are rejected.

5. In the result, appeal filed by the assessee is dismissed.

Order pronounced in the open court on : 13/04/2023.

Sd/-
(G. S. PANNU)
PRESIDENT

Sd/-
(C. N. PRASAD)
JUDICIAL MEMBER

Dated : 13/04/2023.

MEHTA

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

1. आवेदक / Assessee
2. राजस्व / Revenue
3. संबंधित आयकर आयुक्त / Concerned CIT
4. आयकर आयुक्त- अपील / CIT (A)
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, DELHI /
DR, ITAT, DELHI
6. गार्ड फाइल / Guard file.

By order

ASSISTANT REGISTRAR
ITAT, New Delhi.

Date of dictation	24.03.2023
Date on which the typed draft is placed before the dictating Member	27.03.2023
Date on which the typed draft is placed before the Other Member	13.04.2023
Date on which the approved draft comes to the Sr. PS/PS	13.04.2023
Date on which the fair order is placed before the Dictating Member for pronouncement	13.04.2023
Date on which the fair order comes back to the Sr. PS/PS	13.04.2023
Date on which the final order is uploaded on the website of ITAT	13.04.2023
Date on which the file goes to the Bench Clerk	13.04.2023
Date on which the file goes to the Head Clerk	
The date on which the file goes to the Assistant Registrar for signature on the order	
Date of dispatch of the Order	