Principal Commissioner of Income Tax-5, Kolkata v. Advance Engineering Corporation

ITAT/272/2024 (IA No: GA/2/2024)

ITAT/272/2024 (IA No: GA/2/2024) (High Court at Calcutta, 2025-07-17) | 2025-07-17

The Revenue appeal was allowed and the questions answered in its favour; the stay application was allowed.

Income-tax Act, 1961: 69C, 147, 143(3)

High Court at Calcutta | Division Bench | T. S. Sivagnanam | Chaitali Chatterjee (Das)

Assessment years: 2012-13

Scope of this source order

Retain this as a distinct AY and order from ITAT 266/2024. The source contains inconsistent Tribunal-order references, which should be checked against the underlying record if relied upon.

01 FACTS OF THE CASE

Revenue appealed in ITAT272/2024 concerning AY2012–13 and ITA258/Kol/2023. Its first question identified deletion of Rs.1,68,827 bogus-purchase addition. The Court recorded a common Tribunal order for this year and AY2011–12, and its earlier 9 June 2025 judgment allowing ITAT266/2024 for the latter year. The assessee did not appear despite service.

Source: Opening and questions, PDF pp.1–2

02 DISCUSSION BY THE HON'BLE COURT

The Court found that the evidence concerning Sanjiw Kumar Singh's accommodation-entry operation also applied to AY2012–13. The reassessment and NFAC order detailed witness statements, bogus expenditure and commission from undisclosed sources. The Tribunal's assertion that no evidence supported unaccounted purchases was factually incorrect. The Court followed the earlier year's reasoning but addressed the deletion made for this year.

Source: Reasons, PDF pp.2–4

03 JUDICIAL DECISION

Revenue's appeal was allowed, the substantial questions answered for Revenue and the stay application GA2/2024 allowed. The Court held that the Tribunal order required interference.

Source: Operative paragraphs, PDF p.4

04 OUTCOME / IN WHOSE FAVOUR

Revenue-favourable substantive result against the Tribunal's deletion for AY2012–13. The 8% restriction described in the judgment belonged to the earlier AY2011–12 appeal; the two proceedings and their amounts remain distinct.

Source: PDF pp.2–4

05 EXPERT COMMENTS

Do not import the earlier year's computation — The judgment cites the AY2011–12 rejection of 8% relief, but this appeal challenges deletion for AY2012–13. The common factual background supports the reasoning without making the amounts or operative dockets interchangeable. The first question here states Rs.1,68,827.

The reason for interference is an inaccurate appraisal of the record — The Court did not merely presume wrongdoing from an entry operator's existence. It identified the detailed assessment and appellate material and rejected the Tribunal's claim that evidence was absent. For comparison, examine the actual witness and transaction material and whether the appellate finding engages with it.

Flag the source's conflicting Tribunal dates — The opening identifies the challenged Tribunal order as 12 December 2023, while page 3 refers to an order dated 21 July 2023 in discussing the Tribunal. The discrepancy is retained in the audit and must be checked against the Tribunal record before using an exact date as a procedural locator. The High Court date, docket and disposition are clear.

Source: Editorial analysis; source references in the structured comments

SOURCE & VERIFICATION

High Court at Calcutta source judgment/order

Complete 5-page source PDF; corrected note based on this document.

All 5 original pages read and visually inspected; source hash verified. AI-assisted substantive correction.

Open cited source rendition

Source bytes and identity checked; see panel-specific references and disclosed source anomalies.

STATUTORY SCOPE

Source-era statutory provisions only; no Income-tax Act, 2025 equivalence asserted.

LATER TREATMENT

Source checked 2026-10-21. Subsequent treatment not independently verified.

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

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