Principal Commissioner of Income Tax-1, Kolkata v. Onkar Parivahan Finance Private Limited

ITAT/227/2024 (IA No: GA/1/2024)

ITAT/227/2024 (IA No: GA/1/2024) (High Court at Calcutta, 2025-12-01) | 2025-12-01

No substantial question of law arose; the Revenue appeal was dismissed without costs.

Income-tax Act, 1961: 68

High Court at Calcutta | Division Bench | Rajarshi Bharadwaj | Uday Kumar

Assessment years: 2015-16

Scope of this source order

This rests on the actual investor records. Net worth or account-payee payment alone should not be recast as a universal discharge of the section 68 burden.

01 FACTS OF THE CASE

Revenue challenged deletion of a share-capital addition for AY2015–16, alleging failure to prove investor identity, creditworthiness and transaction genuineness. The Court retained Revenue's supplementary affidavit and examined the assessment, appellate and Tribunal orders.

Source: Opening and factual examination, PDF pp.1–2

02 DISCUSSION BY THE HON'BLE COURT

The reproduced Tribunal passage recorded returns, company incorporation material, final accounts and bank statements of share applicants, account-payee receipts and net worth exceeding investments. Its table showed Ramdoot Commosales: Rs.26.91 crore net worth against Rs.1.42 crore investment; Overall Vincom: Rs.25.85 crore against Rs.0.60 crore. The High Court itself concluded that the Tribunal had reappraised relevant material establishing the three ingredients and that the materials were also with the AO.

Source: Quoted Tribunal passage and High Court assessment, PDF pp.2–3

03 JUDICIAL DECISION

Finding no substantial question of law, the Court dismissed Revenue's appeal without costs.

Source: Operative disposition, PDF p.3

04 OUTCOME / IN WHOSE FAVOUR

Assessee-favourable final appellate result: deletion sustained on the documented facts; no general rule that cheque receipts or a net-worth figure alone establishes section 68 compliance.

Source: Factual appraisal and disposition, PDF pp.2–3

05 EXPERT COMMENTS

Read the evidence cumulatively — The quoted record combined tax returns, corporate material, accounts, bank statements, account-payee receipts and financial capacity. The Court endorsed that factual appraisal. This is not authority to dispense with creditworthiness or genuineness whenever a remittance comes through a bank. Each investor's actual evidence remains central.

Use the capacity comparison accurately — The two table entries compare net worth with the respective investments, not taxable income with the disputed addition. Their significance lies in the evidential record accepted below. Do not replace an inquiry into the transaction with a numerical ratio, or invent findings on an investor's funding chain that this short order does not discuss.

Separate the allegation from the appellate conclusion — Revenue called the share capital bogus and sought substantial questions. The Court instead found the relevant materials available even with the AO and saw no substantial question. A summary adopting Revenue's allegation as a finding would invert the result; the binding disposition here is dismissal of that challenge on this record.

Source: Editorial analysis; source references in the structured comments

SOURCE & VERIFICATION

High Court at Calcutta source judgment/order

Complete 3-page source PDF; corrected note based on this document.

All 3 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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