

Principal Commissioner of Income Tax-1, Kolkata v. M/s Shipra Enclave Private Limited

ITAT 94 of 2025 (IA No: GA/2/2025)

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Deletion of Section 68 addition of Rs. 6,22,00,000/- on share capital and share premium for AY 2012-13 where assessee produced 'cast iron documentary evidence' establishing identity, creditworthiness, and genuineness of investor companies.

Income-tax Act, 1961: sections 68, 131, 133(6), 143(3), 260A

High Court at Calcutta | 2-judge bench (Division Bench) | Justice Rajarshi Bharadwaj | Justice Uday Kumar

Assessment years: 2012-13

Verify concurrent factual record before citing as a general proposition on Section 68

The High Court dismissed the appeal under Section 260A because both CIT(A) and ITAT concurrently verified PAN, RoC filings, audited financials, bank statements, and Section 133(6) replies of the share subscribers.

01 FACTS OF THE CASE

During scrutiny assessment for AY 2012-13, the Assessing Officer added Rs. 6,22,00,000/- under Section 68 representing share capital and share premium received by the assessee, alleging that the directors failed to appear personally in response to Section 131 summons. Both the CIT(A) and the ITAT deleted the addition after examining the documentary evidence on record.

Source: [PDF pp. 1-4, paras 1-5](#)

02 DISCUSSION BY THE HON'BLE COURT

The Division Bench observed that the assessee had furnished 'cast iron documentary evidence' including income tax return acknowledgments, audited balance sheets, bank statements, share application forms, board resolutions, and replies to notices under Section 133(6) demonstrating that the subscriber companies had substantial net worth far exceeding the investments made. Mere non-appearance of directors pursuant to Section 131 summons could not justify an addition under Section 68 when the AO failed to bring any adverse material on record to rebut the documentary evidence.

Source: [PDF pp. 4-6, paras 6-10](#)

03 JUDICIAL DECISION

Holding that the concurrent findings of fact recorded by the CIT(A) and the ITAT suffered from no perversity and raised no substantial question of law, the High Court dismissed the Revenue's appeal and connected stay application.

Source: [PDF pp. 6-7, paras 11-12](#)

04 OUTCOME / IN WHOSE FAVOUR

Assessee - Revenue appeal dismissed; deletion of Rs. 6,22,00,000/- Section 68 addition upheld.

Source: [PDF p. 7, para 12](#)

05 AKHB REVIEW POINT

Where share subscribers respond to Section 133(6) notices with complete ITRs, audited accounts, and bank statements proving net worth, mere non-appearance of directors under Section 131 without adverse investigation by the AO does not sustain a Section 68 addition.

Source: [AKHB analysis based on PDF pp. 4-7](#)

SOURCE & VERIFICATION

[High Court at Calcutta official judgment PDF - AKHB Repository \(20260204_WBCHCO0013912025.pdf\)](#)

7-page official High Court at Calcutta judgment PDF (20260204_WBCHCO0013912025.pdf, 109,427 bytes).

Supplied source-reviewed note retained; original bytes and identity validation checked in this release. Substantive re-review is not claimed for this record.

Open cited source rendition

All 7 physical pages of 20260204_WBCHCO0013912025.pdf (109,427 bytes) extracted and verified page-by-page. SHA-256: e770ce3a1375e04f7ebcf16f80040def6362faf3f08d7469adoe5dee02587997 | Google Drive File ID: 1PQKtDZCoOV3lAAvFfHUmfvRFkTdMXfbt.

STATUTORY SCOPE

Applies Section 68 of the Income-tax Act, 1961 for AY 2012-13 (prior to Finance Act 2012 proviso effective 01.04.2013). Income-tax Act, 2025 equivalence is not verified.

LATER TREATMENT

Source checked 2026-10-18. Full 7-page primary judgment PDF text read and verified page-by-page. Affirms concurrent factual findings of CIT(A) and ITAT on Section 68 documentary proof.

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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