आयकर अपीलीय अधिकरण
कोलकाता 'डी' बेंच कोलकाता मे

IN THE INCOME TAX APPELLATE TRIBUNAL
KOLKATA 'D' BENCH AT KOLKATA

Before

SHRI YOGESH KUMAR US, JUDICIAL MEMBER
&
SHRI RAKESH MISHRA, ACCOUNTANT MEMBER

ITA No(s). 2095/KOL/2019 & 2096/KOL/2019
Assessment Year(s) 2013-14 & 2014-15

I.T.O., Ward-8(1), Kolkata Aayakar Bhawan, P-7, Chowringhee Square, 5th Floor, Room No.10, Kolkata, West Bengal, 700069	Vs.	**M/s Mangal Crystal Coke Pvt. Ltd.** 22, Camac Street, Block-C, 5th Floor, Kolkata, West Bengal, 700016
(अपीलार्थी/Appellant)		***(प्रत्यर्थी/Respondent)***
***स्थायी खाता संख्या*/PAN: AAECM4926A**		

ITA No(s). 2097/KOL/2019
Assessment Year(s) 2013-14

I.T.O.,Ward-8(1), Kolkata Aayakar Bhawan, P-7, Chworinghee Squre, 5th Floor, Room No.10, Kolkata, West Bengal, 700069	Vs.	**M/s Mahanidhi Vyapaar Pvt. Ltd.** 22, Camac Street, Block-C, 5th Floor, Kolkata, West Bengal, 700016
(अपीलार्थी/Appellant)		***(प्रत्यर्थी/Respondent)***
***स्थायी खाता संख्या*/PAN: AAGCM3856P**		

ITA No(s). 2162/KOL/2019
Assessment Year(s) 2013-14

I.T.O.,Ward-8(2), Kolkata Aayakar Bhawan, P-7, Chworinghee Squre, 5th Floor, Room No.10, Kolkata, West	Vs.	**M/s Wonga Traders Pvt. Ltd.** Block-C, 5th Floor, 22, Camac Street, Kolkata, West Bengal, 700016

Bengal, 700069		
(अपीलार्थी/Appellant)		***(प्रत्यर्थी/Respondent)***
स्थायी खाता संख्या/PAN: AAACW9042M		

ITA No(s). 2176/KOL/2019
Assessment Year(s) 2013-14

I.T.O.,Ward-8(3), Kolkata Aaykar Bhawan, P-7, Chowringhee Square, 5th Floor, Kolkata, West Bengal, 700069	Vs.	**M/s Khambhalia Traders Pvt. Ltd.** Block A, 4th floor, 22, Camac Street,, Kolkata, West Bengal, 700016
(अपीलार्थी/Appellant)		***(प्रत्यर्थी/Respondent)***
स्थायी खाता संख्या/PAN: AAECK1237C		

ITA No(s). 2235/KOL/2019
Assessment Year(s) 2013-14

D.C.I.T., Circle-8(2), Kolkata Aayakar Bhawan, P-7, Chowringee Square, Room No.21, 4th Floor, Kolkata, West Bengal, 700069	Vs.	**M/s Newage Vinimay Private Limited** Block-A, 4th Floor, 22, Camac Street, Kolkata, West Bengal, 700016
(अपीलार्थी/Appellant)		***(प्रत्यर्थी/Respondent)***
स्थायी खाता संख्या/PAN: AACCN1642A		

ITA No(s). 2236/KOL/2019 & 2237/KOL/2019
Assessment Year(s) 2013-14 & 2014-15

D.C.I.T., Circle-8(2), Kolkata Aayakar Bhawan, P-7, Chowringee Square, 4th Floor, Room No.21, Kolkata, West Bengal, 700069	Vs.	**M/s Russel Vale Traders Private Limited** 22, Camac Street, Kolkata, West Bengal, 700016
(अपीलार्थी/Appellant)		***(प्रत्यर्थी/Respondent)***
स्थायी खाता संख्या/PAN: AAECR6574K		

ITA No(s). 341/KOL/2021
Assessment Year(s) 2013-14

ITO, Ward-8(2), Kolkata Aayakar Bhawan,P-7, Chowringhee Square, 5th Floor, Kolkata, West Bengal, 700069	Vs.	**M/s Gaurav Vinimay Pvt. Ltd.** 22, Camac Street, Block-A, 4th Floor, Kolkata, West Bengal, 700016
(अपीलार्थी/Appellant)		***(प्रत्यर्थी/Respondent)***
***स्थायी खाता संख्या*/PAN: AACCG4269Q**		

ITA No(s). 521/KOL/2021
Assessment Year(s) 2013-14

ITO, Ward-8(1), Kolkata 5th Floor, Aayakar Bhawan, P-7, Chowringhee Square, Kolkata, West Bengal, 700016	Vs.	**M/s Bhachau Traders Pvt. Ltd.** Block-C, 5th Floor, 22, Camack Street, Kolkata, West Bengal, 700016
(अपीलार्थी/Appellant)		***(प्रत्यर्थी/Respondent)***
***स्थायी खाता संख्या*/PAN: AAECB2986P**		

उपस्थिति/Appearance:

प्रत्यर्थी के ओर से/

Department represented by (DR) : Sanat Kumar Raha, CIT(DR).

अपीलार्थी के ओर से/

Assessee represented by (AR) : Sanjay Bhattacharaya, FCA.

सुनवाई की तिथि/
Date of concluding the hearing : 09.10.2026

आदेश उद्घोषणा की तिथि/
Date of pronouncing the order : 16.10.2026

आदेश/ORDER

PER BENCH:

All these appeals filed by the Revenue are against the separate orders of the Commissioner of Income Tax (Appeals)-3 and 5, Kolkata [Ld. 'CIT(A)'] passed u/s 250 of the Income Tax Act, 1961 [the 'Act'] for AYs 2013-14 and 2014-15. Since the issues in all these appeals are related, they were heard together and are being decided vide this common order for the sake of convenience and brevity. We shall take up **ITA No. 2095/KOL/2019; AY 2013-14** as the lead case for adjudication.

2. The Revenue is in appeal before the Tribunal raising the following grounds of appeal:

I. ITA No. 2095/KOL/2019; AY 2013-14:

"1 That on the facts and circumstances of the case and in law, the Hon'ble CIT(A) erred in deleting the addition of Rs.89,50,00,000/- made u/s 68 of the I.T.Act, 1961 on account of cash credit in the form of share capital. The CIT(A) has drawn general conclusion in his appeal order and while passing the appeal order he has not taken into consideration the specific source of investment as provided by the end fund provider to the subscriber of the shares of the assessee company. The investor Company has no capacity to invest its own fund to the assessee company. The Investor Company has received fund from third party and the third party has received fund from others. The assessee company did not explain the specific source for investment of the end fund provider against the share capital with premium. The Ld.CIT(A) while adjudicating the case has not considered the issues as mentioned above and also did not thoroughly examine the source of investment and creditworthiness of all the share allottees.

2 That the appellant reserves the right to amend, alter or add any ground(s) of appeal before or at the time of hearing of the appeal."

II. ITA No. 2096/KOL/2019; AY 2014-15:

"1. That on the facts and circumstances of the case and in law, the Hon'ble CIT(A) erred in deleting the addition of Rs. 17,60,00,000/- made u/s. 68 of the I.T.Act, 1961 on account of cash credit in the form of share capital. The CIT(A) has drawn general conclusion in his appeal order and while passing the appeal order he has not taken into consideration the specific source of investment as provided by the end fund provider to the subscriber of the shares of the assessee company. The investor Company has no capacity to invest its own fund to the assessee company. The Investor Company has received fund from third party and the third party has received fund from others. The assessee company did not explain the specific source for investment of the end fund provider against the share capital with premium. The Ld. CIT(A) while adjudicating the case has not considered the issues as mentioned above and also did not thoroughly examine the source of investment and creditworthiness of all the share allottees.

2. That the appellant reserves the right to amend, alter or add to any ground(s) of appeal before or at the time of hearing of the appeal."

III. ITA No. 2097/KOL/2019; AY 2013-14:

"1. That on the facts and circumstances of the case and in law, the Hon'ble CIT(A) erred in deleting the addition of Rs. 25,02,00,000/- made u/s. 68 of the I.T.Act, 1961 on account of cash credit in the form of share capital. The CIT(A) has drawn general conclusion in his appeal order and while passing the appeal order he has not taken into consideration the specific source of investment as provided by the end fund provider to the subscriber of the shares of the assessee company. The investor Company has no capacity to invest its own fund to the assessee company. The Investor Company has received fund from third party and the third party has received fund from others. The assessee company did not explain the specific source for investment of the end fund provider against the share capital with premium and moreover the settlement of dues to the investor company by way of issue of own shares at a higher rate though the assessee company yielding profit for the year under consideration is very low which suspicious. The Ld. CIT(A) while adjudicating the case has not considered the issues as mentioned above and also did not thoroughly examine the source of investment and creditworthiness of all the share allottees. remains

2. That the appellant reserves the right to amend, alter or add to any ground(s) of appeal before or at the time of hearing of the appeal."

IV. ITA No. 2162/KOL/2019; AY 2013-14:

"1. Whether on the facts and in the circumstances of the case, the ld.CIT(A) erred in deleting the addition of Rs. 19,98,00,000/- u/s.68 of the I.T. Act, 1961, when the share allottees companies had failed to provide any explanation of the source to invest in share of appellant company with high premium?

2. Whether on the facts and in the circumstances of the case, the ld.CIT(A) erred in deleting the addition made by the A.O. of Rs. 19,98,00,000/- on account of unexplained cash credit u/s.68 of the Act when the assessce company has failed to established the ultimate source provider for investment in share capital with high premium?

3. Whether on the facts and in the circumstances of the case, the ld.CIT(A) erred in deleting the addition considering the transactions as genuine merely for the reason that they were carried out from the banking channel? In this connection the theory of preponderance of human probability as pronounced by the Hon'ble Apex Court in the case of CIT vs. Durga Prasad More (1971) 82 ITR 540 and Sumati Daya vs. CIT(1995) 80 Taxman 89/214 ITR 801(SC) is of the utmost importance.

4. The appellant craves the leave to make any addition, alteration, modification of grounds at the appellate stage."

V. ITA No. 2176/KOL/2019; AY 2013-14:

"(i) Whether on the facts and circumstances of the case, the Ld. CIT(A) erred in not noticing that, the motive of investment in assessee company by share subscriber was not profit making, as evident from reply of directors of share subscriber companies and the fact that assessee company hardly had any operational business and income from fixed financial assets, thereby the motive of entire transaction being dubious.

(ii) Whether on the facts and circumstances of the case, the Ld. CIT(A) erred in not considering the fact, pointed out in the assessment order and also in remand report that analysis of bank statement of the share subscriber company shows that almost all credit entries are followed by matching debit entries (not noticed in normal business standard), not only questioning credit worthiness of share subscriber but also giving character of paper based accommodation entry. provider companies to share subscriber company.

(iii) Whether on the facts and circumstances of the case, the Ld. CIT(A) erred in not considering the fact that, the share subscriber companies did not had the fund to provide share application money, so the source explained was only mechanical, lacking any real profit making business credence.

(iv) Whether on the facts and circumstances of the case, the Ld. CIT(A) erred in not considering that, at assessment stage, assessee company did not give any reply to show cause of AO as to why the entire amount of share capital of Rs. 24 Cr be not treated as unexplained.

(v) Whether on the facts and circumstances of the case, the Ld. CIT(A) erred in not considering that, in view of above facts & grounds of appeal, the real intention of the assessee company of introducing such huge amount in the form of share capital is only to introduce unaccounted money in the form of share capital.

(vi) The appellant craves the leave to make any addition, alteration, modification of grounds at the appellate stage."

VI. ITA No. 2235/KOL/2019; AY 2013-14:

"1) That on the facts and circumstances of the case and in Law, Ld CIT(A) has erred in deleting the addition made on issue of share capital and share premium of Rs. 26,95,00,000/-.

2) Whether on the facts and circumstances of the case and in law, Ld CIT(A) has erred in holding the genuineness of transactions and creditworthiness of shareholders on basis of availability of own fund for investment in shares of assessee company without considering that fund received by the shareholders were not genuine business transaction and was in nature of accommodation entry which involves credit of amount followed by the debit of amount to beneficiary.

3) Whether on the facts and circumstances of the case and in law, Ld. CIT(A) has erred in not considering that the assessee failed to discharge its onus to prove genuineness of transactions and identity and creditworthiness of the third party.

4) That the appellant reserves the right to amend, alter or add to any ground(s) of appeal before or at the time of hearing of the appeal."

VII. ITA No. 2236/KOL/2019; AY 2013-14:

"1) That on the facts and circumstances of the case and in Law, Ld CIT(A) erred in deleting the addition made on issue of share capital and share premium of Rs. 33,52,50,000/-.

2) Whether on the facts and circumstances of the case and in law, Ld CIT(A) has erred in holding the genuineness of transactions and creditworthiness of shareholders on basis of availability of own fund for investment in shares of assessee company without considering that fund received by the shareholders were not genuine business transaction and was in nature of accommodation entry which involves credit of amount followed by the debit of amount to beneficiary.

3) Whether on the facts and circumstances of the case and in law, Ld. CIT(A) has erred in not considering that the assessee failed to discharge its onus to prove genuineness of transactions and identity and creditworthiness of the third party.

4) That the appellant reserves the right to amend, alter or add to any ground(s) of appeal before or at the time of hearing of the appeal."

VIII. ITA No. 2237/KOL/2019; AY 2014-15:

"1) That on the facts and circumstances of the case and in Law, Ld CIT(A) erred in deleting the addition made on issue of share capital and share premium of Rs. 16,01,70,000/-.

2) Whether on the facts and circumstances of the case and in law, Ld CIT(A) has erred in holding the genuineness of transactions and creditworthiness of shareholders on basis of availability of own fund for investment in shares of assessee company without considering that fund received by the shareholders were not genuine business transaction and was in nature of accommodation entry which involves credit of amount followed by the debit of amount to beneficiary.

3) Whether on the facts and circumstances of the case and in law, Ld. CIT(A) has erred in not considering that the assessee failed to discharge its onus to prove genuineness of transactions and identity and creditworthiness of the third party.

4) That the appellant reserves the right to amend, alter or add to any ground(s) of appeal before or at the time of hearing of the appeal."

IX. ITA No. 341/KOL/2021; AY 2013-14:

"1. "That on the facts and circumstances of the case and in law, the Ld. CIT(A) has erred in law as well as in facts in deleting the addition made by A.O. on the ground of share capital & share premium and other current liabilities u/s 68 of the Income Tax Act, amounting to Rs.29,55,00,000/-."

2. "That the Department craves leave to add to and/or alter, amend, modify or rescind the grounds here in above before or during hearing of this appeal."

X. ITA No. 521/KOL/2021; AY 2013-14:

"1. That on the facts and circumstances of the case and in law, the Hon'ble CIT(A) erred in deleting the addition of Rs. 239400000/- made u/s. 68 of the I.T.Act, 1961 on account of cash credit in the form of share capital and share premium, while mainly relying on the fact that the transactions took place among 'Group concerns'.

2. That on the facts and circumstances of the case and in law, the Hon'ble CIT(A) has not taken into consideration the specific reasons, inter alia included, meager income & expenditure, negligible business activity, inadequate infrastructure to carry out any business and lack of explanation for immediate source of funds etc in respect of the share applicant companies, where, assessee-applicant has failed to discharge its onus to prove the genuineness of transactions, identity of the share applicants and creditworthiness of the share applicants.

3. That on the facts and circumstances of the case and in law, the Hon'ble CIT(A) erred in deleting the addition of advances received of Rs. 250500000/- as cash credits u/s 68 of the Act, without verifying the immediate source of funds of advances received.

4. That on the facts and circumstances of the case and in law, the Hon'ble CIT(A) has erred by deleting the quantum of advance received, without verifying the specific source for investment as provided by the immediate fund provider.

5. That the appellant reserves the right to amend, alter or add to any ground(s) of appeal before or at the time of hearing of the appeal."

3. Brief facts of the case are that the assessee had e-filed the original return of income for AY 2013-14 on 21.09.2013 declaring the total income of ₹8,920/- and the return was selected for scrutiny under Computer Assisted Scrutiny Selection (in short 'CASS'). The assessee company had raised share capital of ₹1,11,87,500/- and share premium of ₹88,38,12,500/- totalling ₹89,50,00,000/- by way of allotting 11187500 number of shares of face value of ₹10/- each to 6 group companies namely M/s. Bhachau Traders Pvt. Ltd., M/s.

Khambhalia Traders Pvt. Ltd., M/s. Bullli Coke Ltd., M/s. Wonga Traders Pvt. Ltd., M/s. Mahanidhi Vyapaar Pvt. Ltd. and M/s. Russell Vale Traders Pvt. Ltd. The assessee had charged share premium of ₹79/- on the face value of ₹1/- and had received the following amount during the impugned assessment year:

Sl No	Name of the assessee	No of shares alloted	Face value per share (₹)	Share premium per share	Total amount share capital & share premium
1.	M/s Bhachau Traders Pvt Ltd	2000000	1	79	16,00,00,000/-
2.	M/s Khambhalia Traders Pvt Ltd	2000000	1	79	16,00,00,000/-
3.	M/s Bullli Coke Ltd	2000000	1	79	16,00,00,000/-
4.	M/s Wonga Traders Pvt Ltd	2000000	1	79	16,00,00,000/-
5.	M/s Mahanidhi Vyapaar Pvt Ltd	1687500	1	79	13,50,00,000/-
6.	M/s Russell Vale Traders Pvt Ltd	1500000	1	79	12,00,00,000/-
	Total	11187500			89,50,00,000/-

4. On the basis of above details, the notices were issued u/s 133(6) of the Act in response to which the subscriber companies filed details. Summons were also issued to the allottee companies and in response to the summons issued the directors appeared and filed the details. However, since the genuineness of the share capital was not established, therefore, a sum of ₹89,50,00,000/- was treated as un-explained cash credit u/s 68 of the Act and the total income was assessed at ₹89,50,08,920/- by the Assessing Officer [Ld. 'AO'].

Aggrieved with the assessment order, the assessee filed an appeal before the Ld. CIT(A) who examined the facts of the case and also called for a remand report from the Ld. AO which was submitted on 09.11.2018. Out of 6 subscribers, the Ld. AO gave details of the flow of funds and as an illustration the extract of the report of the Ld. AO in respect of M/s. Bhachau Traders Private Limited in respect of the documents filed in the flowchart of funds is as under:

> *"VI. The Ld. AO in response to the letter issued by this office submitted a remand report dated 09.11.2018, the relevant portion of which is reproduced below:*
>
> *In the instant case an assessment w/s. 143(3) dt. 17.03.2016 was passed determining a total income of Rs. 89,50,08,920/-. While passing the assessment order the Share Capital & Share Premium of Rs. 89,50,00,000/- (Rs.I,I1,87,500/-+Rs.88,38,12,500/-) was disallowed and added back to the total income of the assessee company treating it as unexplained credit.*
>
> *Being aggrieved with the assessment order the assessee company filed an appeal before the Ld. CIT(A)-3, Kol. In the course of appellate proceedings the assessee company filed a written submission along with some copy of documents which are forwarded to this office for verification and to furnish the remand report.*
>
> *On perusal of the copy of documents as forwarded to this office by the office of Ld. CIT(A)-3,Kol. it reveals that most of the documents were furnished by the appellant during the course of assessment proceedings and the assessment has been completed after taking into consideration of the above documents.*
>
> *However, an opportunity was given to the assessee company by issuing a letter vide dt. 17.10.2018 with a request to substantiate its claim with documentary evidences. In response to that letter the Accountant of the assessee company appeared and explained that source of source/ Money Trail has been filed before the Ld. CIT(A)-3,Kol and no other documents are available with him.*
>
> *However, on perusal of Flow Chart and relevant page of bank statement as submitted by the appellant before the Ld. CIT(A)-3,Kol., showing the source*

of fund of M/s. Khambhalia Traders Pvt. Ltd. which the later invested in the assessee company it reveals that :-

The assesee company received a sum of Rs. 16,00,00,000/- as share capital with premium from M/s. Khambhalia Traders Pvt. Ltd. and the source of such investment in respect of M/s. Khambhalia Traders Pvt. Ltd. explained that amount of Rs.75 lakhs was received by M/s. Khambhalia Traders Pvt. Ltd. from M/s. Gujrat NRE Mineral Resources Ltd. (GNMRL) and the source of M/s. GNMRL is from M/s. NRE Metcoke Ltd. (NREMC) and the source of M/s. NREMC was from M/s. Gujrat NRE Coke Ltd. but the source of M/s. Gujrat NRE Coke Ltd. was not furnished by the assessee. Further the source of Rs.5.50 crores was from M/s. Bajrang Bali Coke Industries Ltd. (BBCIL) & M/s. Bulli Coke Ltd. (BCL), but the source of BBCIL was not explained or furnished and BCL source was explained from NREMC & NREMC's source was from GNCL, but the GNCL's source was not filed. Moreover, M/s. Khambhalia Traders Pvt. Ltd. has received a sum of Rs. 9.75 crores from M/s. Bajrang Bali Coke Industries Ltd.(BBCIL) for investment in the asesee company, but the source of M/s. BBCIL was not submitted or explained. Therefore, in absence of full evidences regarding the proper source of money the assessee's transaction can not be treated as genuine Moreover on perusal of Bank statement it reveals that most of the debit and credit transactions were made in the same date and before debiting the amount similar or larger amount was credited in the bank account of fund provider. All the transaction were conducted through one banking channel i.e. through HDFC Bank.

However, on perusal of Flow Chart and relevant page of bank statement as submitted by the appellant before the Ld. CIT(A)-3, Kol., showing the source of fund of M/s. Bhachau Traders Pvt. Ltd. which the later invested in the assessee company it reveals that :-

The assesee company received a sum of Rs. 16,00,00,000/- as share capital with premium from M/s. Bhachau Traders Pvt. Ltd. and the source of such investment in respect of M/s. Bhachau Traders Pvt. Ltd explained that the source of such investment was from M/s. GNMRL, M/s. BBCIL & M/s. BCL. The source of GNMRL was from M/s. NREMC & the source of M/s. NREMC was from GNCL. But the source of last fund provider of M/s. GNCL was not submitted. Similarly the source of M/s. BBCIL was not explained/ furnished. Therefore, in absence of full evidences regarding the proper source of money the assessee's transaction can not be treated as genuine Moreover on perusal of Bank statement it reveals that most of the debit and credit transactions were made in the same date and before debiting the amount similar or larger amount was credited in the bank account of fund

provider. All the transaction were conducted through one banking channel i.e. through HDFC Bank.

Further, on perusal of Flow Chart and relevant page of bank statement as submitted by the appellant before the Ld. CIT(A)-3,Kol., showing the source of fund of M/s. Bulli Coke Ltd. which the later invested in the assessee company it reveals that :-

The assesee company received a sum of Rs. 16,00,00,000/- as share capital with premium from M/s. Bulli Coke Ltd. and the source of such investment in respect of M/s. Bulli Coke Ltd. explained that the source of such investment was from M/s. Newage Vinimay Pvt. Ltd. (NVPL), M/s.NRE Metcoke Ltd. (NREMC) & M/s. Gaurav Vinimay Pvt. Ltd. (GVPL.). The source of money arrived in the hands of M/s. Bulli Coke Ltd. after circulating the money from thirteen to fourteen concerns. But the source of last fund provider i.e. M/s. Matangi Traders & Investors Pvt. Ltd. (MTG), M/s. Ruchika Tradelink Pvt. Ltd. (RTPL) & M/s. Gujrat NRE Coke Ltd. (GNCL) were not submitted. Therefore in absence of full evidences regarding the proper source of money the assessee's transaction can not be treated as genuine. Moreover on perusal of Bank statement it reveals that most of the debit and credit transactions were made in the same date and before debiting the amount similar or larger amount was credited in the bank account of fund provider. All the transaction were conducted through one banking channel i.e. through HDFC Bank.

Further, on perusal of Flow Chart and relevant page of bank statement as submitted by the appellant before the Ld. CIT(A)-3,Kol., showing the source of fund of M/s. Wonga Traders Pvt. Ltd. which the later invested in the assessee company it reveals that :-

The assesee company received a sum of Rs. 16,00,00,000/- as share capital with premium from M/s. Wonga Traders Pvt. Ltd. and the source of such investment in respect of M/s. Wonga Traders Pvt. Ltd. explained that the source of such investment was from M/s. Bajrang Bali Coke Industries Ltd. (BBCIL) & M/s. Bulli Coke Ltd. (BCL). The source of M/s. BBCIL was not furnished and the source of M/s. BCL was from M/s. NREMC & M/s. NREMC's source was from M/s GNCL, but the source of M/s GNCL was not filed. Therefore in the absence of full evidences regarding the proper source of money the assessee's transaction can not be treated as genuine. Moreover on perusal of Bank statement it reveals that most of the debit and credit transactions were made in the same date and before debiting the amount similar or larger amount was credited in the bank account of fund provider. All the transaction were conducted through one banking channel i.e. through HDFC Bank.

Further, on perusal of flow Chart and relevant page of bank statement as submitted by the appellant before the Ld. CIT (A)-3, Kol, showing the source of fund of M/s Mahanidhi Vyapaar Pvt. Ltd. which the later invested in the assessee company it reveals that:-

The assessee company received a sum of Rs. 13,50,00,000/- as share capital with premium from M/s Mahanidhi Vyapaar Pvt. Ltd and the source of such investment in respect of M/s Mahanidhi Vyapaar Pvt. Ltd explained that the source of such investment was from M/s. Bajrang Bali Coke Industries Ltd. (BBCIL) and M/s.NRE Metcoke Ltd. (NREMC) and the source of BBCIL was explained from M/s RTPL and M/s Bharat NRE Coke Ltd (BNCL) and M/s NREMC source was from M/s GNCL but the source of M/s GNCL & M/s RTPL & M/s BNCL were not filed or explained. Therefore in absence of proper evidences regarding the source of money the assessee's transaction cannot be treated as genuine. Moreover on perusal of Bank statement it reveals that most of the debit and credit transactions were made in the same date and before debiting the amount similar or larger amount was credited in the bank account of fund provider. All the transactions were conducted through one banking channel i.e. through HDFC Bank.

Further on perusal of flow Chart and relevant page of bank statement as submitted by the appellant before the ld CIT(A)3- Kol, showing the source of fund of M/s Russell Vale Traders Private Ltd which the later invested in the assessee company it reveals that the assessee company received a sum of Rs. 12,00,00,000/- as share capital with premium from M/s Russell Vale Traders Private Ltd and the source of such investment in respect of M/s Russell Vale Traders Private Ltd explained that source was from M/s. Bajrang Bali Coke Industries Ltd. (BBCIL) and the source of BBCIL was explained from M/s Ruchika Tradelink Pvt Ltd. (RTPL) and Mrs Bharat NRE Coke Ltd (BNCL) but the source of M/s RTPL and M/s BNCL were not filed or explained. Therefore in absence of proper evidences regarding the source of money the assessee's transaction cannot be treated as genuine. Moreover, on perusal of Bank statement it reveals that most of the debit and credit transactions were made in the same date and before debiting the amount similar larger amount was credited in the bank account of fund provider. All the transactions were conducted through one banking channel i.e. through HDFC Bank.

Considering the above the assessee's submission is not acceptable as it does not corroborate with the facts and figures as furnished and the genuineness & creditworthiness of transactions were not established. Moreover, the transactions cannot be considered as genuine merely for the

reason that they were carried out from the banking channel. In this connection the theory of preponderance of human probability as pronounced by the Hon'ble Apex Court in the case of CIT vs Durga Prasad More(1971) 82 ITR 540 and Sumati Dayal vs CIT(1995) 80 Taxman 89/214 ITR 801(SC) is of the utmost importance.

In view of the above I place reliance on the findings of the assessing officer as made in his assessment order passed u/s. 143(3) on 17.03.2016 of the I.T.Act, 1961, in the case of the assessee company."

5. A copy of the remand report was furnished to the assessee who filed a rejoinder which was filed on 03.04.2019, which was considered by the Ld. CIT(A). The Ld. CIT(A) sought some clarification which was submitted by the Ld. AO vide report dated 21.05.2019 and which was in connection with applicability of section 56(2)(viib) of the Act. This report was also forwarded to the assessee who filed the rejoinder on 09.07.2019. The Ld. CIT(A) examined the flow of funds and deleted the addition of ₹89,50,00,000/-.

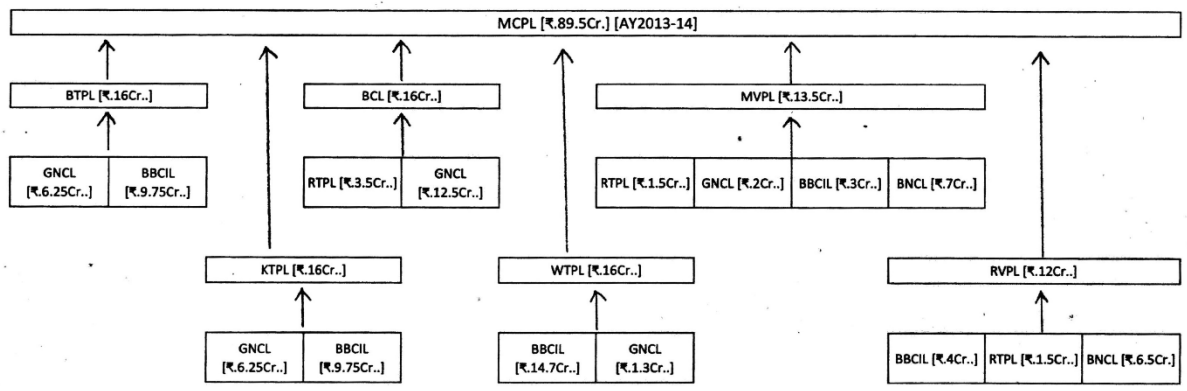
6. Aggrieved with the order of the Ld. CIT(A), the Revenue has filed the appeal before the Tribunal.

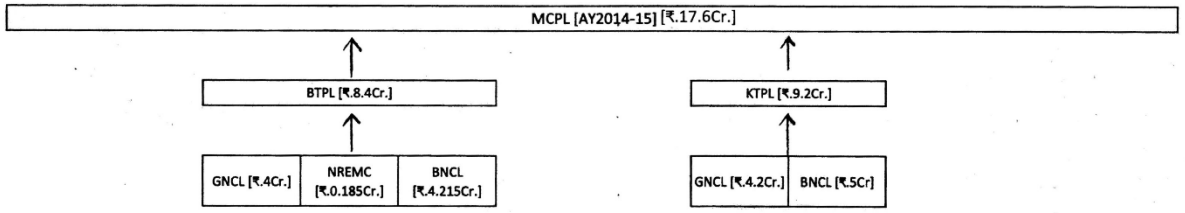
7. Rival contentions were heard and the submissions made have been examined. The Ld. DR submitted that in this case the SFIO had investigated the group matter of Gujarat NRE Coke Ltd. as there was a failure to repay the loan of ₹6085 Crore which was siphoned off. The chart showing flow of funds is as under:

Sl.	ITA No.	Name of Assessee	Asst. Year	Addition/Issue	Amount
1)	ITA 2095/Kol/ 2019	Mangal Crystal Coke Pvt. Ltd.	AY 2013 -14	Share Application Money (F.V of .1/-) with Share Premium of .79/-)	89,50,00,000

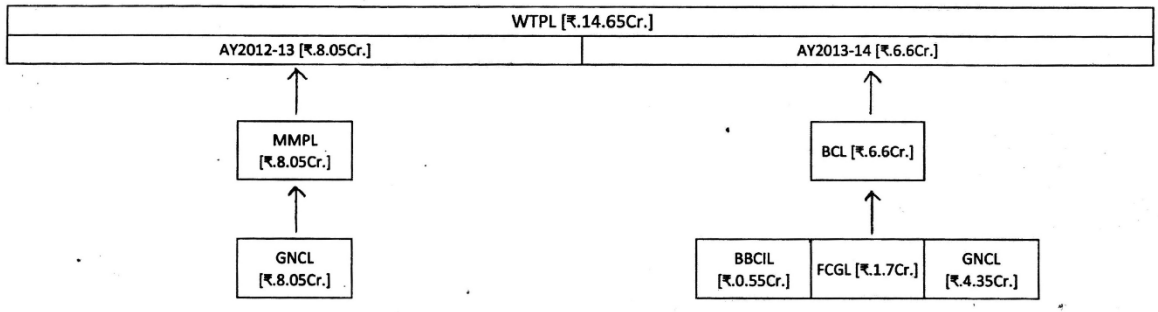
Sl.	ITA No.	Name of Assessee	Asst. Year	Addition/Issue	Amount
2)	ITA 2096/Kol/ 2019	Mangal Crystal Coke Pvt. Ltd.	AY 2014 -15	Share Application Money (F.V of .1/-) with Share Premium of 79/-)	17,60,00,000
3)	ITA 2097/Kol/ 2019	Mahanidhi VyapaarPvt. Ltd.	AY 2013 -14	Share Application Money (F.V of .1/-) with Share Premium of 59/-)	25,02,00,000
4)	ITA 2162/Kol/ 2019	Wonga Traders Pvt. Ltd.	AY 2013 -14	Share Application Money (F.V of .1/-) with Share Premium of 59/-)	19,98,00,000
5)	ITA 2176/Kol/ 2019	Khambhalia Traders Pvt. Ltd.	AY 2013 -14	Share Application Money (F.V of .1/-) with Share Premium of 59/-)	24,00,00,000
6)	ITA 2235/Kol/ 2019	Newage VinimayPvtLtd. .	AY 2013 -14	Share Application Money (F.V of .1/-) with Share Premium of .79/-)	26,95,00,000
7)	ITA 2236/Kol/ 2019	Russel Vale Traders Pvt. Ltd.	AY 2013 -14	Share Application Money (F.V of .1/-) with Share Premium of 89/-)	33,52,00,000
8)	ITA 2237/Kol/ 2019	Russel Vale Traders Pvt. Ltd.	AY 2014 -15	Share Application Money (F.V of .1/-) with Share Premium of 94/-)	16,01,70,000
9)	ITA 441/Kol/2 021	Gaurav VinimayPvtLtd. .	AY 2013 -14	Share Application Money (₹) 19,80,00,000 Other Current Liabilities(₹) 9,75,00,000	29,55,00,000
10	ITA 521/Kol/2 021	Bhachau Traders Pvt. Ltd.	AY 2013 -14	Share Application Money(₹) 23,94,00,000	48,99,00,000

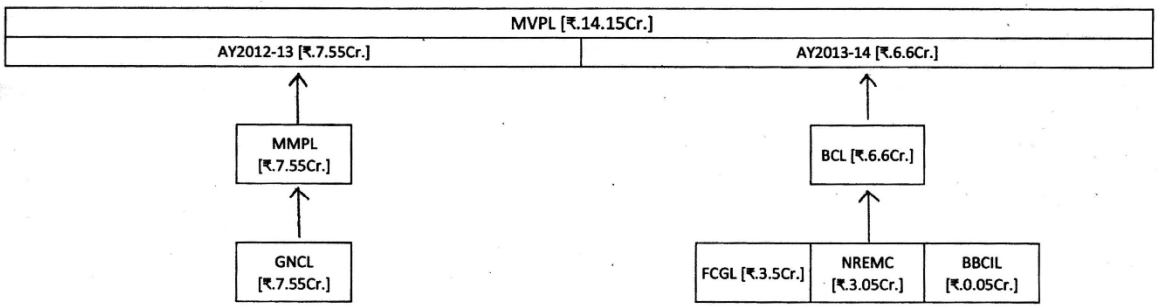
Sl.	ITA No.	Name of Assessee	Asst. Year	Addition/Issue	Amount
				Other Current Liabilities(₹) 25,05,00,000	



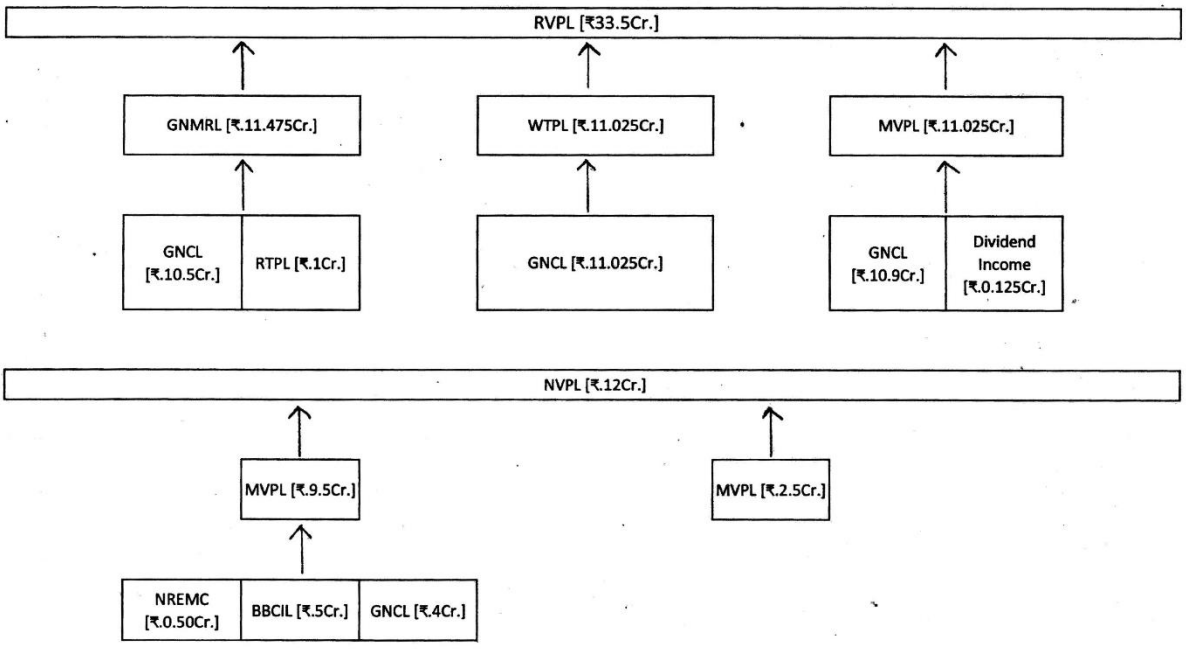


MCPL:	Mangal Crystal Coke P. Ltd.	RTPL:	Ruchika Tradelink P. Ltd.
BCL:	Bulli Coke Ltd.	BNCL:	Bharat NRE Coke Ltd.
BTPL:	Bhachua Traders P. Ltd.	KTPL:	Khambalia Traders P. Ltd.
MVPL:	Mahanadi Vyapaar P. Ltd.	WTPL:	Wonga Traders P. Ltd.
GNCL:	Gujarat NRE Coke Ltd.	RVPL:	Russell Vale Traders P. Ltd.
BBCIL:	Bajrang Bali Coke Industries Ltd.	NREMC:	NRE Metcoke Ltd.

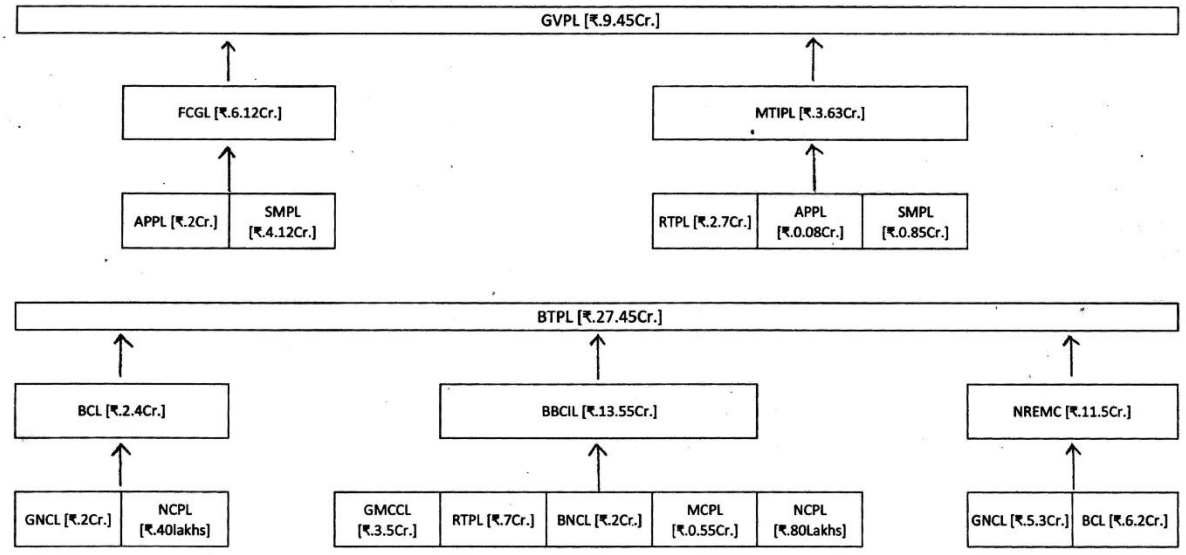




WTPL:	Wonga Traders P. Ltd.	MVPL:	Mahanadi Vyapaar P. Ltd.
BCL:	Bulli Coke Ltd.	NREMC:	NRE Metcoke Ltd.
GNCL:	Gujarat NRE Coke Ltd.	FCGL:	FCGL Investments Ltd.
BBCIL:	Bajrang Bali Coke Industries Ltd.	MMPL:	Madhur Coal Mining P. Ltd.



RVPL:	Russell Vale Traders P. Ltd.	RTPL:	Ruchika Tradelink P. Ltd.	NVPL:	Newage Vinimay P. Ltd.
WTPL:	Wonga Traders P. Ltd.	NREMC:	NRE Metcoke Ltd.		
MVPL:	Mahanadi Vyapaar P. Ltd.	BBCIL:	Bajrang Bali Coke Industries Ltd.		
GNCL:	Gujarat NRE Coke Ltd.	GNMRL:	Gujarat NRE Mineral Resource Ltd.		



GVPL:	Gaurav Vinimay P. Ltd.	SMPL:	Satellite Mercantiles P. Ltd.	NREMC:	NRE Metcoke Ltd.
MTIPL:	Matangi Traders & Investors P. Ltd.	RTPL:	Ruchika Tradelink P. Ltd.	GNCL:	Gujarat NRE Coke Ltd.
FCGL:	FCGL Investments Ltd.	BCL:	Bulli Coke Ltd.	BNCL:	Bharat NRE Coke Ltd.
APPL:	Aparna Polyflex P. Ltd.	BBCIL:	Bajrang Bali Coke Industries Ltd.	MCPL:	Mangal Crystal Coke P. Ltd.
NCPL:	Narottamka Commodities P. Ltd.	GMCCL:	Gujarat Metallic Coal & Coke Ltd.		

7.1 It was submitted that the assessee had raised share capital of ₹89 Crore including share premium, and he submitted that the decision of Hon'ble Calcutta High Court in the case of **Principal Commissioner of Income-tax (Central)-2 vs. BST Infratech Ltd. [2024] 161 taxmann.com 668 (Calcutta)/[2024] 468 ITR 111 (Calcutta)**[23-04-2024] is applicable to the facts of the case. The Ld. CIT(A) has held that Gujarat NRE Coke Ltd. had given money to sister concern and they were the source of investment. He drew our attention to page 39 of the order of the Ld. CIT(A) and also to page 42 second para that the provisions of section 56(2)(viib) of the Act were not applicable. The Ld. CIT(A) observed that the notice u/s 133(6) of the Act was issued and nothing adverse was brought in the statement of the directors whose statements were also recorded.

8. In the rejoinder the Ld. AR submitted that the copy of returns, audited accounts were filed before the Ld. AO and only part of the remand report submitted was issued to the assessee. Our attention was drawn to paper book page 34 in respect of Bhachau Traders Private Limited and it was submitted that the details were filed before the Ld. AO and has relied on page 2 of the assessment order. It was submitted that the remand report extract was not included in appeal order. The Ld. CIT(A) also noted that the notice u/s 133(6) of the Act were responded and there was no involvement of any money from outside. The assessee was no more working. Our attention was drawn to para 2.2 of the assessment order on page 3 and the Ld. AO had relied upon the decision of Hon'ble Delhi High Court in the case of **Commissioner of Income-tax vs. N Tarika Properties Investment (P.) Ltd. [2013]**

40 taxmann.com 525 (Delhi)/[2014] 221 Taxman 14 (Delhi)/[2014] 264 CTR 472 (Delhi)[28-11-2013] para 25 page 6 thereof.

9. It was also submitted by the Ld. AR that the reliance on the decision of Nova Promoters by the Ld. DR was not correct as only PANs were given but here notices u/s 133(6) and 131 of the Act(1) of the Act were complied with and the source of investment was explained and nothing was left for assumption as the funds of one company were transferred to the other company. So, there was no applicability of section 68 of the Act. It was submitted that all monies are locked. Our attention was also drawn to the remand report that only the last layer had not explained the source.

10. We have heard the submission made. A query was raised to the Ld. AR as to what was the notice issued to the subscriber and what was the response and his attention was drawn to page 16 to page 21 of the paper book issued to the Principal Officer, M/s. Bhachau Traders Private Limited in which a copy of letter of application / allotment advice for shares of the assessee company and details of source of fund for the share application money and mode of payment along with details of instrument number and the copy of bank statements were required to be filed and in response to the same vide reply filed on 01.01.2016 as per paper book page 27, the subscriber had filed the copy of audited final accounts, copy of acknowledgement of return, copy of allotment advice for shares, mode of payment along with details of instrument number, copy of bank statement and as regard the details of source of fund for the share application money, it was stated that “the source of share application money were issue of share capital and advance received against sale of investments” and no details were filed as regards

the source of the fund for the share application money received. Therefore, it cannot be said that the subscriber had complied with the notice issued u/s 133(6) of the Act. The bench was thus of the view that the Ld. CIT(A) had accepted the explanation of the assessee without considering the genuineness of the transaction. In this respect it is relevant to reproduce the finding of the Hon'ble Calcutta High Court in the case of **BST Infratech Ltd.** (supra) which is as under:

> *"■ The Commissioner (Appeals) has analysed the three principles which are required to be fulfilled namely identity, creditworthiness and genuineness of the transaction. It is not in dispute that the investors whose details have been referred are all either group companies or having a common set of directors. Further the assessee has not been able to dislodge the factual findings recorded by the Commissioner (Appeals) that the share application money was received from independent legal entities. By way of illustration if the case of GTPL is taken, it is found that they have invested Rs. 8.10 crores in the assessee-company. The said company receives a total of Rs. 1.65 crores on 1-6-2011 and 2-6-2011 from eight private limited companies/entities. Out of the said amount, Rs. 1.50 crores was remitted to the assessee's bank account on 2-6-2011 by three cheques of Rs. 50 lakhs each. The balance remained at Rs. 15.09 lakhs. On 2-6-2011, an amount of Rs. 38 lakhs was remitted to the account by a private limited company and the balance rose to Rs. 53.09 lakhs out of this an amount of Rs. 50 lakhs was remitted to the assessee-account on the same day. On 4-6-2011, DSPL deposited another sum of Rs. 60 lakhs of which Rs. 50 lakhs was remitted to the assessee on 6-6-2011. On 6-6-2011 HGPL transferred a sum of Rs. 10 lakhs to this account by taking a closing balance to Rs. 23.08 lakhs. On the same day an amount of Rs. 20 lakhs was remitted to the assessee-account. On 6-6-2011 DSPL transferred Rs. 25 lakhs, Rs. 38 lakhs and Rs. 37 lakhs to this account and out of this amount Rs. 1 crore was remitted to the assessee's account in two transactions on 7-6-2011. On 14-6-2011, MDPL remitted an amount of Rs. 35 lakhs to the account which was immediately transferred to the assessee's account. On 18-7-2011, SRPL credited an amount of Rs. 50 lakhs to the account which was remitted to the assessee's account on 19-7-2011. On 20-7-2011 amount of Rs. 30 lakhs was received through RTGS in the account and the amount was transferred to the account of the assessee on the same day. On 2-1-2012 an amount of Rs. 40 lakhs was deposited into account by two companies and this was remitted to the assessee's account on 3-1-2012. On 3-1-2012 SGTPL*

credited to the account a sum of Rs. 20 lakhs and out of the said amount Rs. 40 lakhs was transferred to the assessee's account on 4-1-2012. The Commissioner (Appeals) has in the above manner examined the factual position and has analysed the pattern of the transactions in the bank accounts of the five investor companies to that of the assessee's bank account. They have received cheques from somewhere and immediately issued in favour of another company and the balance remaining in the account was very meagre the bank account has been operated solely for the purpose of rotating money. [Para 28]

■ *With regard to the other investor namely MCPL on perusal of the bank statements, it was found that the said company had transactions with the assessee between 23-7-2011 to 28-7-2011 and the entire sum remitted to the assessee by MCPL had come from GTPL. The bank statements of HIL Engineering was also thoroughly examined more particularly the pattern of transaction and it was held that the only apparent purpose for which the bank accounts have been used is to receive money from one account and transfer it to another. With regard to the investor PMPL the bank statements revealed that the entire sums are remitted by PMPL to the assessee had come from GTPL. The analysis done by the Commissioner (Appeals) would reveal the nature and character of the transaction and the Commissioner (Appeals) cannot be faulted to have held that the transactions are well planned and stage managed to show genuineness behind which a clean and simple 'round tripping' of funds is taking place. The Commissioner (Appeals) on examination of the facts found that the bank accounts act as 'highway' in the 'journey of money' on a rotation and laundry trial from one entity to another and by this way these bank accounts create a façade of documentary evidence for clean money in the form of account payee cheques for any kind of accommodation entries. [Para 29]*

■ *The Commissioner (Appeals) did not stop with the above findings but proceeded to analyse the data which was made available in the form of return of income, bank statements etc. and found that the investors have purchased the shares of the assessee at a premium and all have shown similar characteristics, the revenue from operations are either nil or are negligible; the returns are either of loss or of insignificant income below taxable limit; they have been issued shares at very high premium without having earned any revenue from business operations; they have invested on shares at very high premium in companies who also have not earned anything from business operations; their balance sheet shows that even though they do not earn anything, they invite huge investments in their accounts and this money is used to make further investments at high premiums in other companies and they have also issued unsecured loans to*

other companies; money obtained from the route of share premium is rerouted for supplying sources of receipts of money to other companies; the circuit of investments remains within a group companies and in this manner through a circular routing of funds, the capital of each of the companies is enhanced and this inflated capital is then used for providing loans etc. to desired entities; the bank accounts show huge sums are received from one concern through cheques or RTGS and immediately diverted to other companies of the group and the bank balance remains negligible before and after such transfers; each of these companies invest in each other at very high premiums even though there is no business conducted; there is no reason or logic provided by any of the companies as to on what basis they arrived at the value of premium on shares to be issued as neither the assessee nor its investors had followed the guidelines of RBI or ICAI or any other guidelines for determining the rate of premium on their shares. Thus, the fixing of rate for premium is arbitrary and devoid of any financial or accounting rationale; the investors have not bothered to ensure protection of their investments; the investor company do not have any business operations worth noticing yet they have raised huge capital through issue of shares at a premium and also made investments in shares of other companies at a premium even though the other companies like them, did not have any promising business activities. Thus, on analysing the data which was available it is seen that each of the companies have invested in each other and the investments have been made by rotating funds from one account to another. The assessee has not been able to explain why the investors companies had applied for shares in the assessee's company at a high premium even though the face value of the share was Rs. 10 per share. The pattern of transaction clearly shows that these investors companies had raised capital by issue of shares at a very high premium and the transaction is repetitive. Therefore, the mere fact that the transactions were though banking channels or that the companies where income-tax assessees or registered with Registrar of Companies can in no manner be sufficient to discharge the onus under section 68. The Tribunal did not examine the factual matrix in the depth and in the manner it ought to have done. Therefore, the findings rendered by the Tribunal are perverse. It was argued by the assessee that there is no material to show 'round tripping' of funds; there is no finding that the money which has come to the assessee is ill-gotten money and that the Commissioner (Appeals) did not examine how the money came to the investors and failed to note that the company had requisite share capital resource. Various documents which were placed before the tribunal in the form of a paper book was submitted to the court for its perusal. [Para 30]

■ *It is viewed that it is not required to show that the money which came to the assessee is ill-gotten and what is required to be seen is whether the transaction was genuine. It may be true that the identity of the investor company has been established as they are registered with the Registrar of Companies and they are regularly assessed to income-tax. Assuming without admitting that at the relevant point of time when the investor-companies invested in the assessee-company by purchasing shares at high premium, they had sufficient funds in the bank accounts, the question would be as to whether this by itself will establish the creditworthiness of the investor companies. This is a fit case where the doctrine of 'source of source' or 'origin of origin' should be made applicable. It is said so because the Commissioner (Appeals) has brought the evidence and the materials on record which manifestly show the involvement of the assessee as the Directors of the five investors companies and the Director of the assessee-company are all closely related. [Para 31]*

■ *The facts clearly show that the doctrine of 'origin of origin' has to be applied in the case on hand and this exercise has been rightly done by the Commissioner (Appeals) by lifting the veil and enquiring into the real nature of the transaction. The pattern of remittances made to the five investor companies and immediately thereafter to the assessee-company clearly shows that the shares subscriptions were collected as a part of premeditated plan which has been conceived by the assessee. [Para 32]*

■ *The Tribunal fell in error in holding that the Commissioner (Appeals) has not pointed out any doubt or discrepancy with regard to the identity of the investors. The Tribunal has posed a wrong question which has led to a wrong answer. The question is not whether the identity of the investor has to be established but the question was whether the investor had requisite creditworthiness and whether such creditworthiness was a make belief situation by means of a circular transaction and if the same had been established. The Tribunal has held that the findings rendered by the Commissioner (Appeals) that the assets in the form of investments have been created through rotating of money in between the group companies and the assets mainly consists of cash and cash equivalents are not enough to prove that any unaccounted money of the assessee has been introduced in the assessee-company warranting addition under section 68. This finding upon consideration of the facts is perverse.[Para 33]*

■ *The Commissioner (Appeals) has made an elaborate exercise to assess the creditworthiness of the investor companies as well as the genuineness. All the investor companies are group companies and the directors are closely related to the director of the assessee-company and the director himself is*

one of the directors in one of the investor companies namely PMPL and the spouse of the director is the director of MCPL, an investor company. Therefore, on a deeper scrutiny of the factual position would show that the investor company did not have a genuine creditworthiness and consequently the transaction has to be held to be not genuine. Whether or not the onus is discharged depends on facts of each case as well as it depends on whether the two parties are related or known to each other; the manner or mode by which the parties approach each other, the quantum of money, the object and purpose for which payment/investment was made. As held earlier certificate of incorporation of the companies, payment by banking channel etc. cannot tantamount to satisfactory discharge of onus and the facts of the case on hand speaks for itself as it is obvious. Thus, the principle of Preponderance of Probabilities applies with full force to the case on hand which leads to the irresistible conclusion that the finding rendered by the Commissioner (Appeals) is legal and valid. [Para 34]

■ *It is noted that the Tribunal has made certain observations as regards the future prospects of the assessee company as they are a steel industry and that their fixed assets and also the turnover had increased substantially. However, this appears to have not been the submission when the assessee filed an appeal before the Commissioner (Appeals) challenging the addition made by the Assessing Officer. This is evident from the grounds of appeal which have been set out in the order passed by the Commissioner (Appeals). The finding rendered by the Tribunal is probably taken from the written submissions made by the assessee before the Tribunal giving certain facts and figures regarding the expanding of business activities of the assessee. The assessee in their submission contended that their business activity has increased considerably and for the purpose of expansion funds were required and therefore the assessee raised funds from various means, increment in share capital from associates being one of them. The fact clearly demonstrates that the source of the funds which have flown into the account of the assessee have substantially come from one company namely GTPL and the said company had contributed to the other companies and the funds transferred to those companies were transferred to the assessee-company invariably on the same day leaving a bank balance which was almost negligible and the bank statements reveal that prior to the inflow of the funds into those investing companies, the bank balance was negligible and after the transfer it was also negligible. The assessee had contended before the Tribunal that the amount was credited through proper banking channels and the investing companies are body corporate registered with the Registrar of Companies and individually assessed to income tax and therefore the genuineness of the parties is beyond doubt. However, this is not the litmus test to discharge the burden on the assessee to establish*

creditworthiness of the investing companies as well as the genuineness of the transaction. Thus, it is to be held that the explanation offered by the assessee is neither proper, reasonable or acceptable. [Para 35]

■ *The Commissioner (Appeals) was right in adopting a logical process of reasoning considering the totality of the facts and circumstances surrounding the allegations made against the assessee taking note of the minimum and proximate facts and circumstances surrounding the events on which charges are founded so as to reach a reasonable conclusion and rightly applied the test that a reasonable/prudent man would apply to arrive at a conclusion. On facts it is convinced to hold that the assessee has not established the capacity of the investors to advance moneys for purchase of above shares at a high premium. The creditworthiness of those investors companies is questionable and the explanation offered by the assessee, at any stretch of imagination cannot be construed to be a satisfactory explanation of the nature of the source. The assessee has miserably failed to establish genuineness of the transaction by cogent and credible evidence and that the investments made in its share capital were genuine. As noted above merely proving the identity of the investors does not discharge the onus on the assessee if the capacity or the creditworthiness has not been established. [Para 37]*

■ *In the light of the above discussion, it is held that the assessee has failed to discharge legal obligation to prove the genuineness of the transaction and the creditworthiness of the investor which has shown to be so by a 'round tripping' of funds. For all the above reasons, the revenue succeeds. [Para 38]*

■ *In the result the appeal is allowed, the order passed by the Tribunal is set aside and the order passed by the Commissioner (Appeals) is restored and the substantial questions of law are answered in favour of the revenue. [Para 39]"*

11. Therefore, the Bench was of the view that the order of the Ld. CIT(A) needs to be set aside and the issue needs to be remanded before the Ld. AO so that the assessee shall furnish evidence for the identity of the subscriber, the creditworthiness and the genuineness of the transaction by giving the details of the source of the funds which shall be examined by the Ld. AO as the facts of the case of the subscriber companies are the same as decided in the case of **BST Infratech Ltd.**

(supra) decided by the Hon'ble Calcutta High Court and therefore, the onus lies on the assessee to prove the genuineness of the transaction. The Ld. AO shall consider the evidence as per law and reframe the assessment after considering the evidence filed by the assessee.

12. In the result, the appeal filed by the Revenue in **ITA No. 2095/KOL/2019; AY 2013-14** is partly allowed for statistical purposes.

13. Since the issues in other appeals are identical, our findings in **ITA No. 2095/KOL/2019; AY 2013-14** shall *mutatis mutandis* also apply in the other appeals. The Ld. AR has mentioned that in the case of M/s Russel Vale Traders Private Limited for AY 2014-15 and M/s. Gaurav Vinimay Private Limited for AY 2013-14 besides the share capital the addition was also made on account of other current liabilities. The assessee is directed to file evidence for the genuineness of the transaction along with the source of credits and the Ld. AO is directed the reframe the assessment after considering the reply of the assessee as per law. The grounds taken by the Revenue in these appeals are also partly allowed for statistical purposes.

14. In the result, all the appeals filed by the Revenue are partly allowed for statistical purposes.

Order pronounced in the open Court on 16th October, 2026.

Sd/-	*Sd/-*
[**Yogesh Kumar Us**]	[**Rakesh Mishra**]
Judicial Member	Accountant Member

Dated: 16.10.2026

Bidhan (Sr. P.S.)

Copy of the order forwarded to:

1. ***I.T.O., Ward-8(1), Kolkata.***
2. ***I.T.O.,Ward-8(2), Kolkata.***
3. ***I.T.O.,Ward-8(3), Kolkata.***
4. ***D.C.I.T., Circle-8(2), Kolkata.***
5. ***M/s Mangal Crystal Coke Pvt. Ltd.***
6. ***M/s Mahanidhi Vyapaar Pvt. Ltd.***
7. ***M/s Wonga Traders Pvt. Ltd.***
8. ***M/s Khambhalia Traders Pvt. Ltd.***
9. ***M/s Newage Vinimay Private Limited.***
10. ***M/s Russel Vale Traders Private Limited.***
11. ***M/s Gaurav Vinimay Pvt. Ltd.***
12. ***M/s Bhachau Traders Pvt. Ltd.***
13. CIT(A)-3, Kolkata.
14. CIT(A)-5, Kolkata.
15. CIT-
16. CIT(DR), Kolkata Benches, Kolkata.
17. Guard File.