Principal Commissioner of Income Tax-5, Kolkata v. M/s. B.L. Tak and Sons HUF

ITAT/243/2024 (IA No: GA/1/2024)

ITAT/243/2024 (IA No: GA/1/2024) (High Court at Calcutta, 2025-06-09) | 2025-06-09

The Revenue appeal was allowed; the Tribunal order was set aside and the AO order, as affirmed by CIT(A), restored.

Income-tax Act, 1961: 69C

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

Assessment years: 2014-15

Scope of this source order

The detailed passage about exempt long-term gains is quoted from P.L. Goenka, not a replacement for this assessee's short-term-loss facts. Preserve that distinction.

01 FACTS OF THE CASE

Revenue appealed the Tribunal's 14 March 2024 order in ITA2622/Kol/2018 for AY2014–15. Its questions concerned Rs.54,13,374 short-term capital loss from Tuni Textile Mills, Nikki Global, Unno Industries and other scrips. The 28 December 2016 assessment disallowed the claim and added unexplained expenditure under section 69C; CIT(A) affirmed it on 14 September 2018. The Tribunal allowed the assessee's appeal in a brief finding of surmise and conjecture.

Source: PDF pp.1–3

02 DISCUSSION BY THE HON'BLE COURT

The Court found that the Tribunal had failed to examine detailed assessment and CIT(A) findings. It applied P.L. Goenka HUF, ITAT241/2024 decided 6 May 2025, treating the material facts and Tuni Textile transaction context as identical. The long extract from that judgment concerns its own investigation, notices and assessment; those dates are not this HUF's procedural chronology.

Source: Own reasoning p.3; quoted precedent pp.3–5; application p.5

03 JUDICIAL DECISION

Revenue's appeal was allowed, the Tribunal order set aside, and the assessment as affirmed by CIT(A) restored. The questions were answered for Revenue and GA1/2024 disposed of.

Source: Operative paragraphs, PDF p.5

04 OUTCOME / IN WHOSE FAVOUR

Revenue-favourable final result restoring the assessment. This is not a remand and does not certify all transactions in the named scrips as automatically taxable without examining their record.

Source: PDF pp.3,5

05 EXPERT COMMENTS

Keep the quoted taxpayer's chronology separate — The 2021 assessment, 2020 investigation letter and subsequent notices in the long P.L. Goenka quotation belong to that precedent. B.L. Tak's own assessment is dated 28 December 2016 and concerns AY2014–15. Importing the quotation's dates or LTCG amount would create a different case.

The defect was failure to engage with evidence — The Tribunal's short surmise-and-conjecture conclusion did not address the detailed findings below. The High Court applied its connected precedent and restored the assessment. This calls for a transaction-specific response to investigation and financial evidence; the name of a scrip alone is not the complete reasoning recorded here.

Preserve the source's loss terminology carefully — The questions expressly identify short-term capital loss of Rs.54,13,374, while the narrative on page 2 calls it long-term capital loss and the quoted precedent discusses LTCG. The note follows the case-specific questions for the claim description and discloses the inconsistent wording; it does not silently convert the claim into the precedent's gain.

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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