Principal Commissioner of Income Tax-2, Kolkata v. Boothnath Vintrade Private Limited

ITAT/297/2024 (IA No: GA/1/2024)

ITAT/297/2024, High Court at Calcutta, 14 November 2025 | 2025-11-14

The appeal and application were disposed of because no substantial question of law arose.

Income-tax Act, 1961: 147, 148

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

Assessment years:

Scope of this source order

This is a jurisdictional reopening ruling. The unexamined substantive transaction merits and the Revenue's monetary-limit assertion must not be represented as separately resolved propositions.

01 FACTS OF THE CASE

Revenue challenged the Tribunal's 17 April 2024 order. Its counsel accepted that the tax involved was Rs.21 lakh, below the stated Rs.1 crore threshold under Circular5/2025 dated15 March2025, but claimed an exception. The challenged Tribunal order had invalidated reassessment for absence of independent application of mind to Investigation Wing information. No assessment year is stated in this source.

Source: Opening p.1 and Tribunal extract pp.1–4

02 DISCUSSION BY THE HON'BLE COURT

The reproduced Tribunal reasoning found that the AO had not verified the investigation report and had not connected credible material to a reasoned belief of escapement. It distinguished belief from suspicion and discussed Chhugamal Rajpal, Sheo Nath Singh and Meenakshi Overseas. Its legal ground under sections147/148 succeeded; the remaining merits grounds were academic and expressly not adjudicated. After examining that order, the High Court found no substantial question of law.

Source: Quoted Tribunal paras5–7 pp.1–4; High Court conclusion p.4

03 JUDICIAL DECISION

The High Court disposed of ITAT297/2024 and GA1/2024 because no substantial question of law arose from the Tribunal's order. It did not separately determine the asserted monetary-limit exception.

Source: Final paragraph, PDF p.4

04 OUTCOME / IN WHOSE FAVOUR

The assessee's jurisdictional relief before the Tribunal remained undisturbed. This was not a finding on substantive tax liability or genuineness of transactions, nor an express disposal solely for low tax effect.

Source: Tribunal para6 and final High Court paragraph, PDF p.4

05 EXPERT COMMENTS

Identify whose reasons are reproduced — Most of the four pages quote the Tribunal. The High Court's own conclusion is that no substantial question arises. The Tribunal's distinction between borrowed information and an independently reasoned belief explains the surviving relief, but quotations should not be presented as a fresh extended High Court analysis.

The missing link matters more than the information source — The defect recorded was failure to verify the report and connect material with the belief of escapement. The order does not prohibit use of Investigation Wing information as such. A comparable challenge requires the actual recorded reasons and underlying material, not merely proof that information originated elsewhere.

Keep both boundaries of the disposition — Revenue asserted an exception to the monetary threshold, but the final paragraph rests on absence of a substantial question. Separately, the Tribunal left tax merits unadjudicated after allowing its jurisdictional ground. Neither an exception ruling nor a substantive exoneration should be inferred from this disposal.

Source: Editorial analysis; source references in the structured comments

SOURCE & VERIFICATION

High Court at Calcutta source judgment/order

Complete 4-page source PDF; corrected note based on this document.

All 4 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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