Principal Commissioner of Income Tax, Central-2, Kolkata v. Alert Consultants and Credit Private Limited

ITAT191/2025 with IA GA1/2025 and GA2/2025

ITAT191/2025 with IA GA1/2025 and GA2/2025 (Calcutta High Court, 2026-01-19) | 2026-01-19

Revenue appeal dismissed below the monetary threshold; Court found no applicable circular exception or substantial question.

Income-tax Act,1961: sections 68, 35(1)(ii)

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

Assessment years: Not specified in order text

01 FACTS OF THE CASE

The Court condoned 105 days' delay in Revenue's appeal concerning Alert Consultants Credit Pvt. Ltd. The recorded tax effect was Rs.89,53,246, below the threshold in Circular 9/2024 dated 17 September 2024. The proposed questions included share capital of Rs.2.75 crore, appellate/remand issues and an allegation concerning a section 35(1)(ii) donation.

Source: PDF pp.1–6, questions and disposal

02 DISCUSSION BY THE HON'BLE COURT

Having considered the proposed questions, the Court found that the case did not fall within the exceptions in clause 3.1 of Circular 5/2024 and that no substantial question of law arose. It did not separately adjudicate all the allegations reproduced in Revenue's questions.

Source: PDF p.6, final reasoning

03 JUDICIAL DECISION

The appeal and connected application were dismissed.

Source: PDF p.6, disposal

04 OUTCOME / IN WHOSE FAVOUR

Revenue unsuccessful after delay was condoned; no merits determination of every proposed allegation was made.

Source: PDF pp.1,6

05 EXPERT COMMENTS

AKHB Expert Comments — editorial analysis, distinct from the Court's findings.

A proposed question is not an established finding: The order reproduces several challenges, including share-capital and donation allegations. Their inclusion explains what Revenue sought to raise; it does not mean the Court accepted those allegations or issued separate holdings on each. The dismissal must be read with the brief threshold and exception reasoning actually given. (PDF pp.2–6)

An exception requires a fit to the case: Revenue could not escape the monetary restriction merely by advancing the listed questions: the Court found no clause 3.1 exception applicable. The judgment does not say that the relevant exception is confined to penny-stock cases, nor provide a comprehensive interpretation of every exception. A later appeal needs the actual circular language and evidence supporting its asserted exception. (PDF p.6)

Condonation did not determine the appeal's merits: The 105-day delay was condoned before the appeal was dismissed. That procedural indulgence did not establish a substantial question or an exception to the monetary limit. The tax-effect figure and the two distinct steps should remain separate when explaining why the appeal failed. (PDF pp.1,6)

Source: PDF pp.2–6

SOURCE & VERIFICATION

High Court at Calcutta official judgment PDF - AKHB Repository (20260119_WBCHCO0036832025.pdf)

Complete 6-page original read and every page visually reviewed; source bytes verified. Commentary is editorial analysis of this order, not current-law clearance.

Full original and all five note panels re-reviewed on 21 October 2026; unsupported supplied assertions removed.

Open cited source rendition

Complete original source and all five note panels checked; original docket identities preserved.

STATUTORY SCOPE

Only provisions expressly stated in this order are indexed. Subsequent treatment and current law have not been independently verified.

LATER TREATMENT

Source checked 2026-10-21. Subsequent proceedings and current judicial treatment have not been 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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