

Principal Commissioner of Income Tax-2, Kolkata v. M/s Radiant Commercial and Investment Private Limited

ITAT/192/2025 (IA No. GA/1/2025, GA/2/2025)

ITAT/192/2025, IA No. GA/1/2025, GA/2/2025 (Cal HC, decided 19.01.2026) | 2026-01-19

Section 68 share-capital addition of Rs. 1,95,50,000 deleted by ITAT; Revenue appeal with Rs. 48,54,112 tax effect held outside Clause 3.1(h) exception to CBDT Circular Nos. 5/2024 & 9/2024.

Income-tax Act, 1961: sections 68, 260A and 268A | CBDT Circular No. 5/2024 dated 15.03.2024 (Clause 3.1(h)) & Circular No. 9/2024 dated 17.09.2024

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

Assessment years: Not specified in order text

Delay of 261 days condoned in GA/1/2025 before dismissal of main appeal

On page 1 of the order, the Division Bench allowed GA/1/2025 and condoned the 261-day delay in filing the appeal, before dismissing the main appeal ITAT/192/2025 on pages 3-4.

01 FACTS OF THE CASE

After condoning a 261-day filing delay in GA/1/2025, the Calcutta High Court examined the Revenue's appeal under section 260A challenging the ITAT's deletion of a Rs. 1,95,50,000 addition under section 68 in respect of share capital raised by M/s Radiant Commercial and Investment Pvt. Ltd. Although the reported tax effect was Rs. 48,54,112 (below the High Court monetary threshold in CBDT Circular No. 9/2024 dated 17.09.2024), the Revenue contended that the appeal fell within Clause 3.1(h) of CBDT Circular No. 5/2024 dated 15.03.2024 on organized tax evasion and invoked the 'source of source' and 'origin of origin' doctrines.

Source: [Pages 1-3 of 4 \(20260119_WBCHCO0036862025.pdf\)](#)

02 DISCUSSION BY THE HON'BLE COURT

Upon examining the assessment records and the Tribunal's order, the Division Bench held that the dispute did not fall within the exception clause under Clause 3.1 of CBDT Circular No. 5/2024 dated 15.03.2024 read with Circular No. 9/2024. The Court observed that the questions proposed by the Revenue did not pertain to issues of substantial legal importance warranting an exception to the monetary limit circular, and therefore no substantial question of law arose for consideration.

Source: [Pages 3-4 of 4 \(20260119_WBCHCO0036862025.pdf\)](#)

03 JUDICIAL DECISION

Finding that no substantial question of law arose and that the appeal did not qualify under Clause 3.1 of Circular No. 5/2024, the High Court dismissed ITAT/192/2025 along with connected application GA/2/2025.

Source: [Page 4 of 4 \(20260119_WBCHCO0036862025.pdf\)](#)

04 OUTCOME / IN WHOSE FAVOUR

In favour of the assessee (M/s Radiant Commercial and Investment Pvt. Ltd.); Revenue appeal dismissed.

Source: [Page 4 of 4 \(20260119_WBCHCO0036862025.pdf\)](#)

05 AKHB REVIEW POINT

AKHB analysis: Merely reciting 'organized tax evasion' or 'source of source' in proposed questions on a section 68 share-capital deletion does not automatically trigger the Clause 3.1(h) exception to CBDT Circular Nos. 5/2024 and 9/2024 where the tax effect is below Rs. 2 crore and the record discloses no organized evasion scheme.

Source: [Full judgment PDF \(4 pp.\)](#)

SOURCE & VERIFICATION

[Original judgment PDF \(20260119_WBCHCOoo36862025.pdf\)](#)

Reviewed from the complete 4-page official High Court judgment PDF (20260119_WBCHCOoo36862025.pdf, SHA-256: c043c7ba91ea0e0b318aa8391c2b09db1921869e2c9b8289782477b716f3a4d2).

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

Primary source verified page-by-page (4 physical pages, 59,135 bytes, SHA-256: c043c7ba91ea0e0b318aa8391c2b09db1921869e2c9b8289782477b716f3a4d2). Cloud Google Drive File ID: 1rf7dtowKSx7zsfuHbndidqOGKWpcsO3 (<https://drive.google.com/file/d/1rf7dtowKSx7zsfuHbndidqOGKWpcsO3/view>).

STATUTORY SCOPE

Refers to the Income-tax Act, 1961 and allied statutory rules/circulars as applicable to the relevant assessment years.

LATER TREATMENT

Source checked 2026-10-18. No subsequent Supreme Court reversal or stay is recorded in the source judgment text.

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.

PROFESSIONAL DISCLAIMER

General research information only; not legal or tax advice, a certified judgment or a substitute for the full order. Applicability depends on facts, assessment year, statutory version and jurisdiction. Subsequent treatment is unverified unless identified sources are expressly stated. Downloading does not create a professional engagement. Obtain case-specific advice before reliance.