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

Revenue appeal dismissed after rejection of the claimed monetary-limit exception; no substantial question of law found.

Income-tax Act,1961: sections 68

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

Assessment years: Not specified in order text

01 FACTS OF THE CASE

The Court condoned a 261-day filing delay. Revenue reported tax effect of Rs.48,54,112, below the threshold in Circular 9/2024 dated 17 September 2024, but invoked clause 3.1(h) of Circular 5/2024 dated 15 March 2024. Its questions challenged deletion of a Rs.1,95,50,000 section 68 addition and raised director examination, source-of-source and organized-tax-evasion contentions.

Source: PDF pp.1–3

02 DISCUSSION BY THE HON'BLE COURT

After hearing the submissions and examining the Tribunal's order and assessment records, the Court found that the appeal did not fall within the stated exception. It described the proposed issues as lacking the substantial legal importance necessary to warrant an exception and found no substantial question of law.

Source: PDF pp.3–4

03 JUDICIAL DECISION

The Revenue appeal and connected application were dismissed. The delay-condonation application GA/1/2025 had earlier been allowed.

Source: PDF pp.1,4

04 OUTCOME / IN WHOSE FAVOUR

Revenue's appeal dismissed in favour of Radiant Commercial and Investment Private Limited on the recorded exception and substantial-question analysis.

Source: PDF p.4

05 EXPERT COMMENTS

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

The addition and tax effect serve different functions: Rs.1,95,50,000 was the challenged section 68 addition, whereas Rs.48,54,112 was the reported tax effect relevant to the monetary-limit submission. Their distinction matters: the order did not compare the addition itself with the appeal threshold. Revenue acknowledged the reported tax effect was below the applicable limit and therefore sought an exception. (PDF pp.2–3)

An asserted exception still required support in this record: Revenue's proposed questions invoked organized tax evasion, examination of directors and source-of-source concerns. The Court nevertheless concluded, after examining the Tribunal and assessment records, that the appeal did not fall within the exception. The useful point is the failure of that asserted exception on this record, not a holding that every share-capital case is automatically excepted or automatically immune from appeal. (PDF pp.3–4)

Do not turn the disposal into a universal section 68 rule: The judgment reproduces Revenue's challenges but does not make fresh findings establishing the identity, creditworthiness or genuineness of each subscriber. Its dismissal and rejection of the exception should be cited with that limit. The earlier condonation of 261 days merely permitted consideration of the appeal; it did not establish a substantial question or validate Revenue's exception argument. (PDF pp.1–4)

Source: PDF pp.2–3

SOURCE & VERIFICATION

Original judgment PDF (20260119_WBCHCO0036862025.pdf)

Complete 4-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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