Principal Commissioner of Income Tax-1, Kolkata v. Apeejay Surendra Management Services Private Limited

ITAT242/2025 with IA GA1/2026 and GA2/2026

ITAT242/2025 with IA GA1/2026 and GA2/2026 (Calcutta High Court, 2026-04-21) | 2026-04-21

Deemed-dividend appeal dismissed as covered by the cited shareholder-taxability precedents.

Income-tax Act,1961: sections 2(22)(e)

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

Assessment years: 2014-15

01 FACTS OF THE CASE

Revenue challenged the ITAT order dated 19 February 2024 in ITA 988/Kol/2023 for AY 2014-15 concerning Apeejay Surrendra Management Services Pvt. Ltd. The Court condoned 477 days' delay. The substantive question concerned section 2(22)(e) and taxation in the hands of the registered or beneficial shareholder.

Source: PDF pp.1–2

02 DISCUSSION BY THE HON'BLE COURT

The Court applied the cited Madhur Housing and other shareholder-taxability decisions. Revenue did not identify a distinction warranting a different result. The order gives no detailed loan agreements or shareholding percentages.

Source: PDF p.2, merits reasoning

03 JUDICIAL DECISION

Revenue's appeal was dismissed, with the question answered against Revenue. The stay application was also dismissed.

Source: PDF pp.2–3

04 OUTCOME / IN WHOSE FAVOUR

Assessee successful on the covered section 2(22)(e) question.

Source: PDF pp.2–3

05 EXPERT COMMENTS

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

Identify the person sought to be taxed: The question concerned whose hands could bear the deemed-dividend charge. The existence of a loan within a group is not, by itself, the complete enquiry. The registered/beneficial shareholder position and the person assessed must be matched to the cited precedents before applying this short disposal. (PDF p.2)

The Court applied precedent rather than finding new group facts: The order does not supply voting percentages, detailed common ownership or contractual terms. Its reasoning accepts that the stated issue is covered and that Revenue has shown no distinction. It should therefore be used for that issue, without inventing a factual group structure or treating all related-party loans as outside section 2(22)(e). (PDF p.2)

The long delay and the tax result were separate: Condoning 477 days allowed the Court to consider the appeal; it did not decide the deemed-dividend question. The latter failed on the cited authorities. The applications belong to 2026 even though the appeal bears 2025, an important distinction when locating the actual order and its procedural history. (PDF pp.1–3)

Source: PDF p.2

SOURCE & VERIFICATION

High Court at Calcutta official judgment PDF - AKHB Repository (20260421_WBCHCO0047862025.pdf)

Complete 3-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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