PRINCIPAL COMMISSIONER OF INCOME TAX (CENTRAL) -3 v. VAAAN INFRA PRIVATE LIMITED

ITA 513/2025

No neutral citation stated in source | 2026-08-06

Low tax effect following assessment giving effect to section 263: Revenue appeal dismissed.

263

High Court of Delhi | Division Bench | Dinesh Mehta | Rajneesh Kumar Gupta

Assessment years: Not specified in source

01 FACTS OF THE CASE

Vaaan submitted that Revenue's appeal fell below CBDT Circular 5/2024 dated 15 March 2024 read with Circular 9/2024 dated 17 September 2024. It relied on the AO's assessment dated 31 March 2022, giving effect to the PCIT Delhi-7 section 263 order dated 30 March 2021, which assessed total income at Rs.3,42,45,148.

Source: PDF p.1

02 DISCUSSION BY THE HON'BLE COURT

Respondent's counsel submitted that tax calculated on that total income fell below the prescribed limit. The Court dismissed the appeal in view of those submissions; it did not adjudicate the validity of revision or independently set out the tax calculation.

Source: PDF p.1

03 JUDICIAL DECISION

The appeal was dismissed. The order contains no separate merits ruling on section 263.

Source: PDF p.2

04 OUTCOME / IN WHOSE FAVOUR

Revenue's appeal ended on the low-tax-effect basis placed before the Court. Rs.3,42,45,148 is the assessed total income recorded in the submission, not the tax effect or a refund award.

Source: PDF p.2

05 EXPERT COMMENTS

AKHB EXPERT COMMENTS — editorial analysis, distinct from the Court's findings.

Use the correct quantity when reading the monetary-limit ground — The only rupee figure is total assessed income under the consequential assessment. The submission then refers to tax calculated on that amount. Treating the income figure itself as tax effect would materially misstate why the appeal ended. The order supplies no worked calculation to reproduce in another case.

The consequential assessment explains this particular disposal — The respondent grounded its objection in the 31 March 2022 order giving effect to revision, rather than only asserting a low amount in the abstract. That sequence is relevant when comparing another revision appeal. It does not establish from this short order a universal method for measuring tax effect in every section 263 dispute.

Dismissal did not decide whether the revision was correct — Section 263 appears as part of the procedural history, but the Court does not discuss error, prejudice to Revenue or jurisdiction to revise. Its final dismissal must therefore remain separate from an endorsement or rejection of the revision's merits. No assessment year can be supplied from these two pages.

Source: PDF p.1

SOURCE & VERIFICATION

Delhi High Court original order - verified repository copy

2-page official High Court of Delhi judgment PDF (DLHC011279062024_1_2026-08-06.pdf).

All 2 original pages read and visually inspected; all five panels audited.

Open cited source rendition

All two original pages read and visually inspected; total income distinguished from tax effect.

STATUTORY SCOPE

The order identifies section 263 and CBDT Circulars 5/2024 and 9/2024. No assessment year or numerical tax-effect amount is stated.

LATER TREATMENT

Source checked 2026-10-21. Subsequent treatment has 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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