Shyam Century Ferrous Ltd. v. Assistant Commissioner of Income Tax, Circle Shillong & Anr.

ITA No. 1 of 2025

2025:MLHC:543-DB | ITA No. 1 of 2025 | 2025-06-26

Inadvertent omission in Schedule BP of ITR for AY 2021-22 (FY 2020-21) to reduce Rs. 6,38,81,925 profit on sale of investments already offered under 'Capital Gains': where ITAT directed consideration of revised return after digital e-filing window had expired, CPC AO directed to accept manual/physical revised return.

Income-tax Act, 1961: sections 154, 246A, 253 and 264; Schedule BP wording mentions 115BBF/115BBG

High Court of Meghalaya | 2-judge bench (Division Bench) | H. S. Thangkhiew, J. | B. Bhattacharjee, J.

Assessment years: 2021-22 (Accounting Year 2020-21)

Practical relief allowing manual/physical filing of revised return before CPC AO where ITAT relief occurred after digital portal cutoff

Note that paragraph 1 refers to Sl. No. 3(b) of Schedule BP ('chargeable u/s 115BBF/115BBG') where the appellant omitted to deduct Rs. 6,38,81,925 profit on sale of investments already offered under Capital Gains.

01 FACTS OF THE CASE

The return filed on 14 February 2022 for accounting year 2020-21 disclosed Rs. 6,38,81,925 investment-sale profit as capital gains but omitted its reduction in Schedule BP. A section 154 application drew no order. CIT(A) on 11 January 2024 rejected the appeal; ITAT on 25 October 2024 upheld the revised-return/section 264 route for this issue while partly allowing other payments.

Source: PDF pp. 2-3, paras 1-2

02 DISCUSSION BY THE HON'BLE COURT

ITAT directed consideration of a revised return if filed, but the digital filing time had expired. The company limited its prayer to physical filing. Revenue initially opposed reconciliation with CPC, then on instructions agreed to physical filing after the Court sought clarification. The company cited Cosmo Films, W.P.(C) 3598/2019, as a similar manual-filing case.

Source: PDF pp. 3-4, paras 3-6

03 JUDICIAL DECISION

In view of Revenue's concession, the appeal was disposed of with a direction to the CPC AO to accept the revised returns manually/physically for due consideration in accordance with law.

Source: PDF p. 5, para 7

04 OUTCOME / IN WHOSE FAVOUR

The assessee secured a workable filing route. The Court did not itself allow the computation adjustment, determine a refund or lay down an unrestricted right to revise a return after expiry of time.

Source: PDF pp. 4-5, paras 6-7

05 EXPERT COMMENTS

A filing direction is not acceptance of the tax claim — The operative words require acceptance of the physical return for due consideration according to law. They secure access to the process contemplated by the earlier appellate direction, while leaving the computation to the authority. The Rs. 6,38,81,925 adjustment should not be reported as relief finally quantified or granted by this Court.

The concession limits the proposition — The taxpayer narrowed its prayer to manual filing, Revenue changed its position on instructions, and paragraph 7 expressly rests disposal on that concession. Cosmo Films was placed by taxpayer's counsel as a similar case. The order does not analyse a contested limitation exception or establish that every expired digital window must be bypassed.

Keep the procedural history accurate — No order was forthcoming on the section 154 application; the source does not say the AO rejected it. CIT(A)'s view on rectification and ITAT's partial relief on other payments are distinct from this narrow High Court direction. The Schedule BP wording quoted in paragraph 1 also does not establish that the company earned income taxable under sections 115BBF or 115BBG.

Source: Editorial analysis; source references in the structured comments

SOURCE & VERIFICATION

High Court of Meghalaya official judgment PDF - AKHB Cloud Repository (20250626_MLHC010003522025.pdf)

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All 5 original pages read and visually inspected; source hash verified. AI-assisted substantive correction.

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Source bytes and identity checked; see panel-specific references and disclosed source anomalies.

STATUTORY SCOPE

The order expressly mentions sections 154, 246A, 253 and 264. Sections 139(5) and 260A are not cited. The Schedule BP label reproduces 115BBF/115BBG wording without deciding their application.

LATER TREATMENT

Source checked 2026-10-21. Subsequent treatment not independently verified.

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