

Smt. Sutapa Chakravarty v. The Chief Commissioner of Income Tax, Shillong & Ors.

WP(C) No. 66 of 2025

2025:MLHC:684-DB | WP(C) No. 66 of 2025 | 2025-08-05

Closure of Capital Gains Deposit Scheme (CGDS) account for AY 2018-19 where sale of immovable property resulted in capital loss and only Rs. 1,09,29,600 was partially released: petitioner permitted to file revised return for AY 2018-19 (physically if necessary) before ITO Ward 52(1), Kolkata, who must then pass final orders closing the CGDS account expeditiously.

Income-tax Act, 1961: sections 54, 139 and 148 | Capital Gains Accounts Scheme, 1988

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

Assessment years: 2018-19

Third round of writ litigation; permits physical filing of AY 2018-19 return to unlock remaining CGDS funds

Because the 67-year-old widow petitioner had mistakenly parked sale proceeds in a CGDS account on consultant advice despite incurring a capital loss in AY 2018-19, the Court bridged the procedural impasse by permitting physical filing of the return in response to the section 148 requirement.

01 FACTS OF THE CASE

In her third round of writ litigation (following WP(C) No. 213 of 2024 decided on 06.09.2024), the 67-year-old petitioner challenged an order dated 22.11.2024 that approved only a partial release of Rs. 1,09,29,600 from her Capital Gains Deposit Scheme (CGDS) account without releasing the balance. The petitioner had mistakenly deposited the sale proceeds of an immovable property into the CGDS account on a tax consultant's advice even though the transaction resulted in a capital loss for AY 2018-19, and the Department insisted on a revised return for AY 2018-19 pursuant to a section 148 notice.

Source: [Paragraphs 1-3; PDF pp. 1-3](#)

02 DISCUSSION BY THE HON'BLE COURT

Recording the concession of respondents' counsel that the Department would examine and process full closure of the CGDS account upon the petitioner filing a revised income-tax return for AY 2018-19 incorporating the property sale and capital loss, the Division Bench directed that the petitioner be permitted to file her revised return for AY 2018-19 before Respondent No. 3 (ITO Ward 52(1), Kolkata), physically if necessary, and that final orders for closure of the CGDS account be passed most expeditiously given that the matter had been pending since 2019.

Source: [Paragraphs 3-5; PDF pp. 3-5](#)

03 JUDICIAL DECISION

Disposed of WP(C) No. 66 of 2025 directing physical/online acceptance of the petitioner's AY 2018-19 revised return and expeditious final closure of her CGDS account.

Source: [Paragraphs 4-6; PDF pp. 4-5](#)

04 OUTCOME / IN WHOSE FAVOUR

Assessee - Petitioner permitted to file revised return for AY 2018-19 (including physically if required) before Respondent No. 3, who is directed to pass final orders for full closure of the CGDS account expeditiously.

Source: [Paragraphs 4-6; PDF pp. 4-5](#)

05 AKHB REVIEW POINT

AKHB analysis: when sale proceeds are erroneously deposited in a Capital Gains Account Scheme (CGDS) account despite a capital loss, full release under Form G/H often requires reconciling the underlying assessment year's return; if the portal is closed, seek permission to file a physical return before the jurisdictional AO.

Source: [Paragraphs 3-5; PDF pp. 3-5](#)

SOURCE & VERIFICATION

[High Court of Meghalaya official judgment PDF - AKHB Cloud Repository \(20250805_MLHC010002172025.pdf\)](#)
5-page official High Court of Meghalaya judgment PDF (20250805_MLHC010002172025.pdf).

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

All 5 physical pages of 20250805_MLHC010002172025.pdf read and verified page-by-page. Original bytes (187,196 bytes) match SHA-256 c719f47a56da27b59f8f265f4c572678a7306445ed20cd089f5ec8c085ea4262.

STATUTORY SCOPE

Applies the Capital Gains Accounts Scheme, 1988 and section 148 of the Income-tax Act, 1961 for AY 2018-19. Income-tax Act, 2025 equivalence is not verified.

LATER TREATMENT

Source checked 2026-10-18. Full primary judgment PDF read page-by-page and verified against the AKHB Google Drive repository. Comprehensive subsequent judicial treatment has not been independently verified.

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