



<u>Serial No. 01</u> <u>Regular List</u>

HIGH COURT OF MEGHALAYA
AT SHILLONG

ITA No. 1 of 2025

Date of Decision: 26.06.2025

Shyam Century Ferrous Ltd.,
 A company incorporated under the Companies Act, 1956
 and having its office at Lumshnong,
 East Jaintia Hills, Meghalaya represented by its
 authorized Attorney. **... Appellant(s)**

Versus

1. Assistant Commissioner of Income Tax,
 Circle Shillong, Aaykar Bhawan,
 M.G. Road, Shillong
2. The Commissioner of Income Tax (Appeal), through
 Addl/JCIT (A)-1, Coimbatore **... Respondent(s)**

Coram:

Hon'ble Mr. Justice H. S. Thangkhiew, Judge
Hon'ble Mr. Justice B. Bhattacharjee, Judge

Appearance:

For the Appellant(s) : Mr. S. Sen, Adv.

For the Respondent(s) : Mr. S. Pandey, Adv. with
 Mr. S.C. Keyal, Adv.

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|-----|---|--------|
| i) | Whether approved for reporting in
Law journals etc.: | Yes/No |
| ii) | Whether approved for publication
in press: | Yes/No |
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Per. H.S. Thangkhiew, Judge:

JUDGMENT AND ORDER (ORAL)

1. The brief facts are that the appellant company filed its Income Tax Return on 14.02.2022 for the Accounting year 2020-21 indicating income of Rs. 1,68,20,990/- with a total Income Tax liability of Rs. 43,78,669/- . During the relevant Financial Year, the appellant company had earned a profit of Rs. 6,38,81,925/- from the sale of its investments, which the appellant company had duly disclosed in the Income Tax Return. The appellant duly reported the said Profit on Sale of investment being assessable to tax under the head of income ‘Capital Gains’. The appellant company however by mistake omitted to exclude/reduce the Profit of Rs. 6,38,81,925/- on Sale of Investment by way of deduction and Sl. No. 3(b)- ‘Income/Receipts credited to profit and loss account considered under other heads of income chargeable u/s 115BBF/chargeable u/s 115BBG’ of Schedule BP in the ITR.

2. On the mistake being discovered by the appellant company, an application under Section 154 of the Income Tax Act, 1961 was filed before the Assistant Commissioner for rectification of



the mistake. As no order was forthcoming, an appeal was preferred under Section 246A of the Act, whereby the Commissioner (Appeals) vide order dated 11.01.2024 dismissed the appeal by holding that a mistake has to be corrected by filing revised return or under Section 264 of the Income Tax Act, as it was not an error apparent on record to be rectified under Section 154, or to be considered in appeal. On a further appeal, which was preferred under Section 253 of the Act before the Income Tax Appellate Tribunal, Guwahati Bench, the Tribunal vide order dated 25.10.2024, while partly allowing the appeal on other payments, however upheld the observation of the Commissioner (Appeals) with regard to the mistake having to be corrected by filing of a revised return or under Section 264. It was further directed that the CPC AO/CIT(A), consider the revised returns if filed.

3. However, as the time limit for filing the revised returns for the accounting year 2020-21 had since expired, the appellant therefore was unable to do so, inasmuch as, the same had to be done digitally.

4. Mr. S. Sen, learned counsel for the appellant in the backdrop of the above noted facts, had limited his prayer for directions



to allow the appellant to file physical returns, which was resisted by Mr. S. Pandey, learned counsel for the Income Tax authorities, who submitted that the filing of physical returns is not permissible, as the same cannot be reconciled with the Centralised Processing Centre.

5. This Court thereafter, had directed Mr. S. Pandey, learned counsel to obtain specific instructions, as to whether this situation had occurred before, inasmuch as, the opportunity granted by the Commissioner (Appeals) and the Income Tax Appellate Tribunal to the appellant would be rendered useless if physical filing was not permitted.

6. When the matter was taken up today, Mr. S. Pandey, learned counsel has on instructions, submitted that the appellant will be permitted to file its physical returns for consideration before the Central Processing Centre AO. Mr. S. Sen, learned counsel for the appellant has also placed a decision of the Delhi High Court, in the case of *Cosmo Films Limited vs. Central Board of Direct Taxes, Ministry of Finance, North Block, New Delhi & Anr. (W.P(C) 3598/2019 & CM Appl. No. 16512/2019)*, where in similar circumstances the petitioner therein was allowed to file the returns manually.



7. As the concession has been made by the respondents, nothing remains for further consideration in the present appeal, and the same is disposed of by directing the CPC AO to accept the revised returns filed by the appellant manually/physically, for due consideration in accordance with law.

(B. Bhattacharjee)
Judge

(H.S. Thangkhiew)
Judge

Meghalaya
26.06.2025
"V. Lyndem PS"