WPA 9158 OF 2023

05.06.2023
Sl no. 24
Ct no. 2
P.M.

Nikunj Drolia

- Vs –

Income Tax Officer, Ward No. 30(1), Kolkata & Ors.

Mr. Asim Choudhury,
Ms. Akshara Shukla
... for the petitioner
Ms. Smita Das De
... for the respondents

Heard learned advocates appearing for the parties.

By this writ petition petitioner has challenged the impugned order dated 23rd July, 2022 under Section 148A(d) of the Income Tax Act, 1961, relating to assessment year 2017-2018. Considering the serious allegation of accommodation entries in the form of Long Term Capital Gains/ Losses in several scrip to various beneficiaries across the country as appear from paragraph 5 of the aforesaid impugned order which is quoted hereunder I am not inclined to entertain this writ petition.

"5. It is stated that a Search & Seizure action was conducted on a syndicate of persons led by Naresh Jain on 19.03.2019 by DDIT (Inv) Unit 7(1) &

7(3) Mumbai. The focus of this action was on Sri Naresh Jain and his associates who were involved in providing accommodation entries in the form of Long Term Capital Gains/Losses in several script to various beneficiaries across the country. Shri Naresh Jain was discovered to be operating with his several associates to rig the stock market and to provide accommodation entries (in the form of bogus LTCG), bogus short term Loss/gain) to various beneficiaries who intended to bring their unaccounted income into their books of accounts without paying taxes. Cash was deposited in various dummy bank accounts and then layered through several pass-through bank accounts and then would reach the bank accounts linked to dummy trading accounts. Shri Naresh Jain operating as a lynchpin of the syndicate has been instrumental in manipulating the prices of several penny stocks scrips on the Stock Exchange including the stock of Monotype India Ltd. In which the assessee P.K. Drolia & Sons (HUF) had transacted.

On perusal of assessee's reply and the records available in Insight Portal no reference to Settlement Commission is found for the A.Y. 2017-18."

Furthermore, learned advocate appearing for the petitioner submits that the final assessment order under Section 147 of the act has already been passed which is an appellable order and taking into consideration this fact also, this writ petition being WPA 9158 of 2023 is dismissed.

(Md. Nizamuddin, J.)