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WPA 10671 of 2023

Sansudha Securities Private Limited
Vs
Union of India & Ors.

Mr. Sutirtha Das
... For the Petitioner.
Mr. Trilak Mitra
... For the UOI.

Heard learned Advocates appearing for the parties.

By this writ petition, petitioner has challenged the impugned order under Section 148A(d) of the Income Tax Act, 1961 dated 24th July, 2022 relating to the assessment year 2013-14.

I have perused the aforesaid impugned order and I find that the petitioner is involved in transaction in illiquid derivative trading on BSE and has showed fictitious profit and loss account in derivative sector through reversal of trades. Details of such serious allegation would appear from the relevant portion of the aforesaid impugned order, which is hereunder:

"Accordingly, analysis of the transaction was made to trace the beneficiaries and it was found that the company M/s. Sansudha Securities Pvt. Ltd.,(hereinafter referred to as the 'assessee') has transacted in illquid Derivative Trading on Bse and suffered profit and losses which is allegedly fictitious profit and losses in Derivative sector through reversal of trades, trade at the end of the expiry period in illiquid Derivaties options on BSE Platform, entered into through broker M/s,. India Capital Markets Pvt. Ltd. of Rs.70,28,000/-, M/s. Giriraj Stock Broking Pvt. Ltd. of Rs.24,35,250/- and M/s. Abans Securities Ltd. of Rs. 67,50,000/- in aggregate Rs.1,62,13,250/- during the F.Y. 2012-13 related to the A.Y. 2013-14."

It also appears from record that the assessee has not cooperated in the verification phase regarding the aforesaid illegal transaction.

In view of the nature of illegal transactions and modus operandi adopted by the petitioner, this court is not inclined to exercise its jurisdiction under Article 226 of the Constitution of India. Accordingly, this writ petition being WPA 10671 of 2023 is dismissed.

(Md. Nizamuddin, J.)