OD 3

ITAT/176/2025
IA NO: GA/2/2025
IN THE HIGH COURT AT CALCUTTA
SPECIAL JURISDICTION (INCME TAX)
ORIGINAL SIDE

PRICIPAL COMMISSIONER OF INCOME TAX 13, KOLKATA
VS
UMANG NEMANI

BEFORE:
The Hon'ble JUSTICE RAJARSHI BHARADWAJ
-AND-
The Hon'ble JUSTICE UDAY KUMAR
Date: 19th January, 2026.

Appearance:
Mr. Amit Sharma, Adv.
Mr. Abhishek Kr. Agrahari, Adv.
. . .for the appellant.

Mr. Saurabh Bagaria, Adv.
Ms. Sweta Mohanty, Adv.
. . .for the respondent.

The Court: The affidavit of service filed in the Court has been duly examined and is hereby formally taken on record.

Learned counsel appearing for the appellant submits that the tax effect involved in the present case is reported to be Rs.1,57,47,303/-. It is emphasized that this amount is below the monetary threshold specified for filing an appeal before this Court, as outlined in Circular No. 9/2024 dated 17th September 2024. The counsel further contends, however, that despite the tax effect being below the prescribed limit, the present matter nonetheless falls within the scope of an exception carved out in Clause 3.1(h) of Circular No.5 of 2024 dated 15th March 2024. This exception, as interpreted in conjunction with Circular No. 9/2024, pertains to cases where the issues involved are of substantial legal importance or involve questions of law that merit consideration irrespective of the monetary threshold.

The learned counsel advances several substantial questions of law for the Court's consideration, which are as follows:

i) Whether in the facts and circumstances of the case the Learned Income Tax Appellate Tribunal has substantially erred in law in quashing the reopening proceeding under Section 147/143(3) of the Income Tax Act, 1961;

ii) Whether the Learned Income Tax Appellate Tribunal has committed substantial error of law in ignoring the direct and circumstantial evidences which were brought on record by the Assessing Officer to establish that the assessee had arranged an accommodation entry by way of loan from M/s Beejay Invest & Financial Consultants Pvt. Ltd. whose creditworthiness has not been proved, to evade his tax liability?

iii) Whether the Learned Income Tax Appellate Tribunal has committed substantial error of law in ignoring the direct and circumstantial evidences which were brought on record by the

Assessing Officer to establish that the credit namely M/s Beejay Invest & Financial Consultants Pvt. Ltd. which is an NBFC, failed to provide any agreement, terms and conditions of loan, security or mortgage or hypothecation of any asset/property advancing loan to the assessee and thus the said loan transaction is not genuine?

iv) Whether the Learned Income Tax Appellate Tribunal has committed substantial error of law in ignoring the facts brought on record by the Assessing Officer that the loan creditor namely M/s Beejay Invest & Financial Consultants Pvt. Ltd. had no capacity to extend loans and the said company was just a paper company and therefore all the transactions were not genuine?

v) Whether the Learned Income Tax Appellate Tribunal has committed substantial error in law in deciding an issue which was not raised by the assessee by way of ground of appeal either before the CIT (Appeals) or the Learned Tribunal viz ground of validity of reopening of the assessment?

After carefully hearing the submissions made by the appellant and thoroughly perusing the Tribunal's order along with the assessment records, this Court observes that the present appeal does not fall within the scope of the exception clause outlined in Clause 3.1 of Circular No.5 of 2024 dated 15th March, 2024. The Court notes that the issues raised do not pertain to questions of substantial legal importance that would warrant an exception under the circular's provisions.

Consequently, the Court finds that no substantial question of law arises for consideration in this matter. Accordingly, the appeal along with the connected application, is hereby dismissed.

(RAJARSHI BHARADWAJ, J.)

(UDAY KUMAR, J.)

SP/