

**IN THE INCOME TAX APPELLATE TRIBUNAL  
KOLKATA 'C' BENCH, KOLKATA**

**Before**

**SHRI SONJOY SARMA, JUDICIAL MEMBER  
&  
SHRI RAKESH MISHRA, ACCOUNTANT MEMBER**

**ITA No.: 1853/KOL/2025  
Assessment Year: 2014-15**

|   |     |  |
|---|-----|--|
| Manoj Kumar Saha & Sons HUF<br><b>(Appellant)</b> | Vs. | I.T.O., Ward-44(3), Kolkata<br><b>(Respondent)</b> |
| <b>PAN: AAFHM5327M</b>                            |     |  |

**Appearances:**

**Assessee represented by** : Raj Kumar Agarwal, AR.

**Department represented by** : Dheeraj, SR. DR.

Date of concluding the hearing : 19-January-2026

Date of pronouncing the order : 30-January-2026

**ORDER**

**PER RAKESH MISHRA, ACCOUNTANT MEMBER:**

This appeal filed by the assessee is against the order of the Commissioner of Income Tax (Appeals)-NFAC, Delhi [hereinafter referred to as Ld. 'CIT(A)'] passed u/s 250 of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') for AY 2014-15 dated 20.06.2025.

2. The assessee is in appeal before the Tribunal raising the following grounds of appeal:

*"1. For that Ld. CIT(A) erred in upholding the addition of Rs 90,40,031/- as unexplained cash deposit.*

*2. For that Ld. CIT(A) ought to have accepted that the appellant was an auction agent in wholesale fruit market and cash deposit represented sale proceeds from such auction*

*3. For that Ld. CIT(A) ought to have held that the entire cash deposit cannot represent the income as it was derived from auction sale of fruits.*

*4. For that, alternatively, only peak credit in bank account in form of cash deposit could have been treated as income"*



3. Brief facts of the case are that the return of income showing total income of ₹2,88,660/- was filed which was taken up for scrutiny. The assessee submitted that the cash deposited in the savings bank account was out of the sale proceeds of fruits by auction and the total sales was made in cash. It was submitted before the Ld. AO that at the time of taking the job of sale of fruits in the market for commission, the assessee took PANs and address of the farmers and other details like postal address or phone numbers of the farmers whose letters had been returned were not available with the assessee but the transactions could be verified with the Income Tax Department. Since the required evidences were not filed for the cash deposits in the bank account, a sum of ₹90,40,031/- was added to the total income of the assessee and the total income of the assessee was assessed at ₹93,28,686/-. Aggrieved with the assessment order, the assessee filed an appeal before the Ld. CIT(A), who considered the submissions of the assessee and the written submission filed and also the past history of the case stated by the assessee. The assessee had shown commission income of ₹3,81,392/- and had deposited total cash of ₹94,21,423/-. As despite repeated opportunities, the assessee failed to produce the vendors though the affidavit of the vendors were submitted during the appellate proceedings as initial evidence and no copy of any contract or documentation was produced and the assessee failed to produce evidence in support of the fact that the cash deposited in the bank account actually belonged to other parties and for other reasons mentioned, the addition was confirmed.

4. Aggrieved with the order of the Ld. CIT(A), the assessee has filed the appeal before the Tribunal.



5. Rival submissions were heard and the record and the submissions made have been examined. It was submitted by the Ld. AR through paper book filed that the assessee conducts auctions and during the course of the assessment proceedings he had requested the Ld. AO to send the ITI for inspection who inspected and reported that the sales were made in cash. No books of account were maintained and as per paper book on page 23, the certificate from Mechua Bazar Fruit Merchant Association has been filed in support of the business of the assessee. It was submitted that the assessee had disclosed nearly 4% as commission on the total sales. The Ld. DR argued that if the money were of the vendor, it could have been directly paid to the vendors. On the issue of return of notice u/s 133(6) of the Act for verification of the transactions with the farmers, the assessee has stated that the same were returned due to incorrect address and at page 25 of the paper book the address of one of the parties has been correctly mentioned. The trade license is in the name of the HUF which is at page 24 of the paper book. It was requested that the vendors were from Andhra and the assessee has no objection if the net profit at the rate of 8% is applied is no books of accounts were maintained even though the assessee has evidence for the commission income.

6. We have considered the facts of the case, the submissions made and the documents filed. Since at both these stages the assessee could not furnish any evidence for the income shown but there is evidence for carrying on of the business and the Inspector deputed also confirmed that the assessee was selling fruits in the market in cash which, however, was not accepted by AO., The assessee is also filed details of sales made to each of the farmers and confirmation of the reply filed in response to the notice under section 133(6) from one of the farmers i.e.



Shri B. Fida Hussain, the deposits in the bank account are treated as the turnover of the assessee for which evidences in the form of certificate from Machua Bazar Fruit Association, the report of the ITI, the Trade License, reply filed by Shri B. Fida Hussain, Bank statement showing payments to the farmers through electronic means etc. were filed before the lower authorities, the Bench was of the view that the cash deposited in the bank was out of the business receipts of the assessee and net profit rate of 8% should be applied on the total turnover so worked out in the form of cash etc. deposited in the bank account and the Ld. AO is directed to compute the total income from business @ 8% of the turnover reflected in the bank account and delete the rest of the addition. Hence, Ground Nos. 1, 2, 3 are allowed while Ground No. 4 is dismissed as once the deposits are being treated as the turnover, there is no justification for taking only the peak credit instead of the profit applied.

7. In the result, the appeal filed by the assessee is partly allowed.

**Order pronounced in the open Court on 30<sup>th</sup> January, 2026.**

*Sd/-*

**[Sonjoy Sarma]**  
Judicial Member

*Sd/-*

**[Rakesh Mishra]**  
Accountant Member

Dated: 30.01.2026

*Bidhan (Sr. P.S.)*



*Copy of the order forwarded to:*

1. **Manoj Kumar Saha & Sons HUF, 10A, Madan Mohan Burman Street, Kolkata, West Bengal, 700007.**
2. **I.T.O., Ward-44(3), Kolkata.**
3. CIT(A)-NFAC, Delhi.
4. CIT-
5. CIT(DR), Kolkata Benches, Kolkata.
6. Guard File.

*// True copy //*

By order

Assistant Registrar  
ITAT, Kolkata Benches  
Kolkata