

**IN THE INCOME TAX APPELLATE TRIBUNAL  
KOLKATA 'B' BENCH AT KOLKATA**

**Before**

**SHRI GEORGE MATHAN, JUDICIAL MEMBER  
&  
SHRI RAKESH MISHRA, ACCOUNTANT MEMBER**

**ITA No(s): 1588/KOL/2025  
Assessment Year(s): 2013-14**

Jindal Commodities <b>(Appellant)</b>	Vs.	Ito, Ward 43(2), Kolkata <b>(Respondent)</b>
<b>PAN: AAGFJ1573M</b>		

**Appearances:**

**Assessee represented by** : Vikram Dudhoria, AR.  
**Department represented by** : Pradip Dungdung, JCIT, Sr. DR.  
Date of concluding the hearing : 12-February-2026  
Date of pronouncing the order : 26-February-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 2013-14 dated 23.05.2025.

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

*"1. For that the Learned CIT(A) erred in upholding the validity of the reassessment proceedings initiated under section 148 of the Income Tax Act, 1961, solely based on information received from DDIT(Inv.), without appreciating that the Assessing Officer failed to independently apply his mind or to record any reasons establishing a valid belief of income having escaped assessment.*

*2. For that The Learned CIT(A) failed to appreciate that the addition of ₹51,98,456/- on account of alleged commission Income at 5% on total bank deposits was made on mere presumption, estimation, without any cogent evidence on record. The CIT(A) further erred in disregarding the assessee's*



*explanation and actual declared commission income of 2,07,938/-, absence of corroborative merely on the ground of evidence, thereby sustaining an addition without any legally sustainable basis.*

*3. For that the levy of interest under sections 234A and 234B is consequential and ought not to have been levied in view of the erroneous additions sustained by the CIT(A).*

*3. For that, the appellant craves leave to add, delete and/ or modify some grounds at the time of hearing of the appeal.”*

3. Brief facts of the case are that the assessee is a Firm. The assessment was re-opened on the reasons that the assessee had received unaccounted money to the tune of ₹10,39,69,122/- in the books of accounts during the F.Y. 2012-13 relevant to A.Y. 2013-14 through banking channel. The notice u/s 148 of the Act dated 30.03.2019 was issued and served upon the assessee and in response, the assessee filed ITR for A.Y. 2013-14 declaring total income of ₹7,950/-. During the re-assessment proceedings a notice u/s 142(1) of the Act was issued and served to the assessee requesting to submit its details (Tax audit report, balance sheet, details of bank account etc) and furnish evidence explaining the sources of cash credits of Rs. 10,39,69,122/-. The assessee failed to provide cogent documentary evidence proving the genuineness of the cash credits. Hence, the Ld. AO completed the assessment and passed order u/s. 143(3)/147 of the Act dated 24.10.2019 after making an addition of ₹51,98,456/- (5% of the total transaction). Aggrieved with the assessment order, the assessee preferred an appeal before the Ld. CIT(A), who vide order dated 23.05.2025 dismissed the appeal.

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



5. Rival contentions were heard and the submissions made have been examined. The assessee had sought adjournment which was rejected as there was no justified reason for the same. The Ld. AR brought it to our notice that the Ld. AO had applied net profit rate of 5% on the total transaction of ₹10,39,69,122/- and the addition of ₹51,98,456/- was made. The assessee had earned a commission of ₹2,07,938/- only being at the rate of 0.25% to 0.30% on such total transactions and the addition was confirmed by the Ld. CIT(A). It was stated that no basis has been given either by the Ld. AO or by the Ld. CIT(A) in support of the application of 5% rate of commission and requested that the order of the Ld. CIT(A) may be set aside and the addition may be deleted. The Ld. DR relied upon the order of the Ld. CIT(A) and requested that the same may be upheld. However, it was brought to the notice of the Ld. DR that no basis has been given for application of commission of 5% by the Ld. AO or even by the Ld. CIT(A). It was proposed to the Ld. AR whether the assessee was agreeable to application of rate of 0.5% as the commission to which he had no objection.

6. We have considered the facts of the case, the submissions made and the documents filed. Since no basis has been given for application of net profit rate of 5% by the Ld. AO or even by the Ld. CIT(A), therefore, it was considered reasonable to apply the net profit rate of 0.5% which is accordingly directed to be applied with consequential relief to the assessee. Accordingly, Ground No. 1 is dismissed as the Ld. AR did not press the same and Ground No. 2 is partly allowed. Ground No. 3 relating to interest is consequential in nature and the other Ground No. 3 is general in nature and does not require separate adjudication.



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

**Order pronounced in the open Court on 26<sup>th</sup> February, 2026.**

*Sd/-*

**[George Mathan]**  
Judicial Member

*Sd/-*

**[Rakesh Mishra]**  
Accountant Member

Dated: 26.02.2026

*Bidhan (Sr. P.S.)*



*Copy of the order forwarded to:*

1. **Jindal Commodities, 24, Vivekananda Road,, Kolkata, West Bengal, 700007.**
2. **Ito, Ward 43(2), Kolkata, .**
3. CIT(A)-
4. CIT-
5. CIT(DR), Kolkata Benches, Kolkata.
6. Guard File.

*// True copy //*

By order

Assistant Registrar  
ITAT, Kolkata Benches  
Kolkata