

**IN THE INCOME TAX APPELLATE TRIBUNAL "A" BENCH, KOLKATA**

**BEFORE SHRI RAJESH KUMAR, AM  
AND  
SHRIPRADIP KUMAR CHOUBEY, JM**

**ITA No.1606/KOL/2025  
(Assessment Year: 2018-19)**

**Dy. Commissioner of Income  
Tax, Central Circle-4(3)  
110, Shantipally, Kolkata-  
700207, West Bengal**

**(Appellant)**

**Dilip Kumar Ghosh  
P-162, CIT Road, Scheme-VIIM,  
Ultadanga, Kolkata-700054,  
West Bengal**

**(Respondent)**

**Vs.**

**PAN No. ADRPG5357Q**

**CO No. 94/KOL/2025**

**(Arising in ITA No.1606/KOL/2025 for A.Y. 2018-19)**

**Dilip Kumar Ghosh  
P-162, CIT Road, Scheme-VIIM,  
Ultadanga, Kolkata-700054,  
West Bengal**

**(Appellant)**

**Dy. Commissioner of Income  
Tax, Central Circle-4(3)  
110, Shantipally, Kolkata-  
700207, West Bengal**

**(Respondent)**

**Vs.**

**Assessee by : Shri Siddharth Jhajharia, AR  
Revenue by : Shri Madhu Malti Ghosh, DR**

**Date of hearing: 03.02.2026  
Date of pronouncement: 26.02.2026**

**ORDER**

**Per Rajesh Kumar, AM:**

These are the appeals preferred by the Revenue and CO by the assessee against the order of the Commissioner of Income-tax (Appeals)(hereinafter referred to as the "Ld. CIT(A)"] dated 27.02.2025 for the AY 2018-19.

2. At the outset, we observe from the appeal folder that there is a delay of 49 days in filing the appeal by the department in support of which

a condonation petition was filed. It was stated in the condonation petition that the delay has occurred due to obtaining the administrative approvals from the competent authorities, which took quite a long time and accordingly, the delay may be condoned. The Id. AR, on the other hand, did not oppose the condonation of delay. Considering the reasons cited before us, we are inclined to condone the delay and admit the appeal for hearing.

3. The Revenue in this appeal has raised the issue of deletion of addition of ₹82,69,292/- as made by the Id. AO u/s 69A of the Act read with section 115BBE of the Act on account of unexplained cash payment without appreciating the material brought on record by the Id. AO whereas the assessee in its Cross Objection has challenged the order of Id. CIT (A) on various grounds.
4. After hearing the rival contentions and perusing the materials available on record, we find that the issue in the instant appeal is squarely covered by the decision of the co-ordinate Bench in assessee's own case under similar facts in DCIT Vs. Dilip Kumar Ghosh in ITA No. 1253/KOL/2025 for A.Y. 2017-18, vide order dated 20.01.2026, wherein similar issue has been decided by the co-ordinate Bench in favour of the assessee. We note that the addition was made by the Id. AO on the basis of seized documents DKG-01 and DKG-04, by observing that cash payments as contained in those documents were unexplained money u/s 69A of the Act. We note that the similar issue was also involved in the previous assessment year i.e. A.Y. 2017-18 based on the same document DKG-01 and DKG-04, which was deleted by the Tribunal by observing and holding as under:-

"3. The Revenue has challenged the order of Id. CIT (A) deleting the addition of ₹1,48,86,218/- as made by the Id. AO u/s 69A read with section 115BBE of the Income-tax Act, 1961 (the Act) on account of unaccounted cash receipts and payments as evidenced by the seized material marked DKG-01 & DKG-04.

4. The facts in brief are that the assessee is an individual and Director of Jagatbandhu Tea Estate Pvt. Ltd. This company is engaged in growing of tea and allied activities. The assessee filed the return of income during the year on 27.03.2018, declaring total income at ₹6,06,140/-. A search action was conducted on 25.09.2020, at the premises of Agarwal Group of cases Ranchi/ Kolkata and assessee being a close associate of the group was also covered under the said search. During the course of search certain incriminating materials were found and seized marked as DKG-01 to DKG-09. Accordingly, the notice u/s 153A was issued on 08.11.2021, and the assessee replied the said notice by filing the return of income on 11.10.2021, declaring total income of ₹6,06,140/-. Thereafter, the Id. AO issued statutory notices along with questionnaire which were replied by the assessee. The assessee submitted before the Id. AO that the documents seized during the course of search revealed that these documents contained entries recorded in the books of account of M/s Jagatbandhu Tea Estate Pvt. Ltd. of which assessee is a director and is being supervised by him. It was also submitted that these transactions were fully accounted for in the books of accounts maintained by that entity. However, the Id. AO rejected the contention of the assessee and added the entire amount pertaining to this year amounting to ₹1,48,86,218/- u/s 69A of the Act as unexplained money in the assessment framed u/s 153A of the Act dated 31.03.2022.

5. In the appellate proceedings, the Id. CIT (A) allowed the appeal of the assessee after taking into account the contentions and submissions of the assessee that the entries contained in the seized documents were pertaining to Jagatbandhu Tea Estate Pvt. Ltd. and were duly accounted for in the books of that company. The Id. CIT (A) allowed the appeal of the assessee by observing and holding as under:-

### "7.3 Discussion and Decision

7.3.1 I have pursued the assessment order as well as the submission of the assessee. On perusal of the same, it is seen that the assessee, Sri Dilip Kumar Ghosh, is a director of Jagatbandhu Tea Estate Pvt. Ltd. which is engaged in the activity of growing and selling tea leaves, income from which falls under Agricultural Income. During the search operation u/s 132 of the Act, incriminating documents marked 'DKG-01' to 'DKG-09' were seized from the premises of the assessee. While explaining, the assessee in his submissions mentioned that another similar impounded document marked as 'JBTE-23' was found at the premises of Jagatbandhu Tea Estate Pvt. Ltd. The assessee replied that the entries in "JBTE-23" and the entries in 'DKG-01' related to M/s. Jagatbandhu Tea Estate Pvt. Ltd. The assessee mentioned that the cash receipts found in 'DKG-01' were from sale of green tea leaves and the cash expenses were payments to the labourers. The same entries were repeated in the impounded material 'JBTE-23'. The assessee also said that the AO failed to appreciate the fact that the entries found in 'DKG-01' & 'JBTE-23' were repetitions of the same income and expenditure of M/s. Jagatbandhu Tea Estate

*Pvt. Ltd. The assessee stated that these rough notings were written for making a fair copy of accounts of M/s. Jagatbandhu Tea Estate Pvt. Ltd., that is why those rough notings were found at the residence of the director as well as the office of M/s. Jagatbandhu Tea Estate Pvt. Ltd. The AO ignored this fact and made huge additions in the hands of the director as well as the company M/s. Jagatbandhu Tea Estate Pvt. Ltd.*

*7.3.2 M/s. Jagatbandhu Tea Estate Pvt. Ltd. is growing and selling tea leaves, income from which falls under the category of Agricultural Income which is exempt u/s 10(1) of the Income Tax Act, 1961. The AO failed to prove that the cash receipts noted in DKG-01 is not from sale of green tea leaves. He could not show any corresponding asset that these cash receipts were the income of the assessee. Ignoring that, the AO unjustly made huge addition of Rs.1,48,86,218/- as unexplained money u/s 69A r.w.s 115BBE of the Act in the hands of the assessee. The AO could not prove that these cash receipts are not from agricultural activity of the M/s. Jagatbandhu Tea Estate Pvt. Ltd. in which the assessee is a director. The cash receipts and cash payments noted in the seized material 'DKG-01' and 'JBTE-23' were nothing but the cash receipts and cash payments of M/s. Jagatbandhu Tea Estate Pvt. Ltd. only. On examination of the books of account of M/s. Jagatbandhu Tea Estate Pvt. Ltd., the receipts offered and the expenses booked are much higher than the cash receipts & cash payments found in the seized/impounded materials of 'DKG-01' and 'JBTE-23'. It shows that all the cash receipts from selling of green tea leaves & related cash payments to labourers were very much booked in the books of account of M/s. Jagatbandhu Tea Estate Pvt. Ltd.*

*7.3.3 Further, the assessee had relied on the following judicial pronouncements to substantiate its claim:*

*a) In the case of 'Teena Bethla v. ITO in ITA No. 1383/Bang/2019 dt. 28.08.2019', the Hon'ble Bangalore ITAT had held as under:*

*"14.3.3 On a reading of sec. 69A (supra), it is clear that the onus is upon the AO to find the assessee to be the owner of any money, Bullion, Jewellery or valuable article and such money, Bullion, Jewellery or valuable article was not recorded in the books of accounts, if any, maintained by the assessee for any source of income. In these circumstances, the AO can resort to making an addition u/s 69A of the Act only in respect of such monies / assets/ articles or things which are not recorded in the assessee's books of account. In the case on hand, the cash deposits are recorded in the books of account and are reportedly made on the receipt from a creditor. Further, the PAN and address of the creditor as well as ledger account copies of the creditor in the assessee's books of account have also been filed before AO. In these circumstances, it is evident that the AO has not made out a case calling for an addition u/s 69A of the Act. Probably, an addition u/s 69A of the Act could have been considered, but then that is not the case of the AO. The assessee, apart from raising several other grounds, has challenged the legality of the addition being made u/s 69A of the Act. In support of the assessee's contentions, the Ld. A.R placed reliance on the decision of the ITAT-Mumbai Bench in the case of DCIT v. Karthik*

*Construction Co. in ITA No. 2292/Mum/2016 dt. 23.2.2018, wherein he Bench at para 6 thereof has held that addition u/s 69A of the Act cannot be made in respect of those assets/ monies/ entries which are recorded in the assessee's books of account. In my considered view, the aforesaid decision of the ITAT-Mumbai Bench (supra) is squarely applicable to the facts of the case on hand, where the entries are recorded in the assessee's books of account. In this view of the matter, I am of the opinion that the addition of Rs. 33,23,425/- made u/s 69A of the Act is bad in law."*

*b) In the case of 'DCIT v. Karthik Construction Co. in ITA No. 2292/Mum/2016 order dt. 23.02.2018', the Hon'ble Mumbai Tribunal had held as under:*

*"A reading of sec. 69A of the Act makes it clear, addition can only be made when the assessee is found to be in possession of money bullion jewellery etc., not recorded in his books of account. It is not the case of the Department that the loan repayment made during the year was either not recorded in the books of account or the source of fund utilized in repaying the loan is doubtful. That being the case, the addition u/s 69A of the Act cannot be made. Therefore, the decision of the Ld. CIT(A) has to be sustained."*

*7.3.4. It is pertinent to mention that the M/s. Jagatbandhu Tea Estate Pvt. Ltd. is deriving income from the sale of Tea Leaves in which Shri Dilip Kumar Ghosh is a director. M/s. Jagatbandhu Tea Estate Pvt. Ltd. is only growing the Tea Leaves and are selling them to the manufacturers without processing. Hence, the entire income is to be treated as agricultural income which is fully exempt from Income Tax u/s 10(1) of the I.T. Act 1961. Hence, the receipts and payments related to agricultural activities are not taxable.*

*Reliance is placed on the case of Tata Tea Ltd. & ANR. Etc. Vs. State of West Bengal & Ors. Etc. (05.05.1988) (Supreme Court) where it was held that income from merely cultivating tea leaves (without processing them) is purely agricultural income and exempt from Income Tax u/s 10(1) of the I.T. Act.*

*7.3.5. In view of the aforesaid judicial pronouncements as well the discussions, the cash receipts and cash payment notings found in the seized/impounded material 'DKG-01' & 'JBTE-23' are receipts and payments of M/s. Jagatbandhu Tea Estate Pvt. Ltd. only. All these cash receipts from selling of green tea leaves & related cash payments to labourers were very much booked in the books of account of M/s. Jagatbandhu Tea Estate Pvt. Ltd. Further, M/s. Jagatbandhu Tea Estate Pvt. Ltd. is deriving income from agricultural activity which is exempted from Income Tax U/S 10(1) of the I.T. Act 1961. Since, all these cash receipts from selling of green tea leaves & related cash payments to labourers were already booked in the books of account of M/s. Jagatbandhu Tea Estate Pvt. Ltd., the addition of Rs.1,48,86,218/- made in the hands of Sri Dilip Kumar Ghosh is deleted. Hence, these grounds of appeal raised by the assessee are allowed."*

*6. After hearing the rival contentions and perusing the materials available on record, we find that the seized documents contained entries of cash receipts and payments which pertained to the company M/s Jagatbandhu Tea Estate Pvt. Ltd. and*

were duly accounted for in the books of accounts as receipt on account of selling of green leaves and payments on account of payments to labour. We note that the Id. CIT (A) has recorded a clear-cut finding to this effect in the appellate order. Consequently, we do not find infirmity in the order of Id. CIT (A) and accordingly, the order of Id. CIT (A) is upheld by dismissing the appeal of the Revenue.

7. Coming to the Cross Objection No. CO No. 74/KOL/2025 for A.Y. 2017-18, at the time of hearing the same is not pressed and accordingly dismissed as not pressed."

5. Since the facts are materially same, we therefore, respectfully following the decision of the co-ordinate Bench uphold the order of Id. CIT (A) by dismissing the appeal of the Revenue.
6. Coming to the Cross Objection raised by the assessee, which is not pressed at the time of hearing and is dismissed as not pressed.
7. In the result, the appeal of the Revenue and CO of the Assessee are dismissed.

Order pronounced on 26.02.2026.

Sd/-  
(PRADIP KUMAR CHOUBEY)  
(JUDICIAL MEMBER)

Sd/-  
(RAJESH KUMAR)  
(ACCOUNTANT MEMBER)

Kolkata, Dated: 26.02.2026

Sudip Sarkar, Sr.PS

Copy of the Order forwarded to:

1. The Appellant
2. The Respondent
3. CIT
4. DR, ITAT,
5. Guard file.

BY ORDER,

True Copy//

Sr. Private Secretary/ Asst. Registrar  
Income Tax Appellate Tribunal, Kolkata