



GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
INCOME TAX DEPARTMENT



1.	PAN	AROPK2244F
2.	Name of the assessee	SANDIP HARIBHAU KAMTHE
3.	Address of the assessee	SHREE CHATRAPATI SHIVAJI MARKET YARD FLOWER MARKET, MARKET YARD ROAD GULTEKADI, PUNE 411037, Maharashtra, India
4.	Assessment Year	2013-14
5.	Status	INDIVIDUAL
6.	Residential Status	Resident
7.	Date of service of Notice under section 143(2) of the Income-tax Act	As per Order Sheet
8.	Date(s) of issue of Notice(s) under section 142(1) of the Income-tax Act	25/08/2025
9.	Order passed under section	147 r.w.s 250 read with section 144B of the Income-tax Act
10.	Date of Order	15/10/2025
11.	DIN	ITBA/AST/S/147/2025-26/1081765049(1)

**ASSESSMENT ORDER**

**1. Reasons for selection of the Case and Type of Case and background facts:-**

The assessee is an individual and has filed return of income for the A. Y. 2013-14 u/s 139(1) of the Ac on 29.07.2013 declaring total income of Rs.3,30,200/-. Information was received by the department in the instant case that the assessee had made cash and other deposits totalling to Rs. 50,70,068/- in the Bank account maintained with M/s. Shri Renuka Mata Multi State Urban Co-operative Credit Society Ltd in F.Y. 2012-13 which was not disclosed in the ITR filed by the assessee for the year under consideration. Accordingly, the case was selected for scrutiny for A. Y. 2013-14 by issuing notice u/s 148 on 06.07.2022.

Note:- The website address of the e-filing portal has been changed from [www.incometaxindiaefiling.gov.in](http://www.incometaxindiaefiling.gov.in) to [www.incometax.gov.in](http://www.incometax.gov.in).

However, the assessee had not complied with the notices issued by the FAO during the assessment proceedings and the assessment order was passed ex-parte u/s 147 r.w.s 144 read with section 144B of the Income-tax Act on 15.05.2023 by making additions of Rs.50,70,068/- as unexplained money u/s 69A of the Income tax Act. Aggrieved by the above additions, the assessee had filed appeal on 17.07.2023 against the order u/s 147 rws 144 rws144B of the Income Tax Act, 1961 (the Act) dated 15.05.2023 for A. Y. 2013-14 issued by the Assessment Unit, Income Tax Department. Subsequently, the appeal was migrated to the National Faceless Appeal Centre (NFAC) in terms of Notification No.76 of 2020 in S.O.3296(E) dated 25.09.2020 issued by CBDT, New Delhi. The assessee made his submission before the appellate authority and accordingly, the NFAC vide order u/s 250 having DIN & Order No: ITBA/NFAC/S/250/2024-25/1073252283(1) dated 13.02.2025, set aside the appeal of the assessee and held as under:

*“the matter requires extensive factual verification the assessment order is set aside and the Assessing Officer is directed to make a fresh assessment after giving adequate opportunities to the appellant and complying with all extant rules and provisions and following principles of natural justice. The appellant may note that all necessary compliance should be made at the earliest and within the time limit prescribed in the notices issued by Ld AO. It should be the endeavor of the Appellant to promptly submit necessary evidences in support of his Income tax return, suo-moto or as required by the Assessing Officer without causing undue delays leading to submissions towards the fag end of the limitation period. The assessment order is set aside accordingly in accordance with proviso to Sec. 251(1)(a) with a direction to the AO to make a fresh assessment in accordance with rules and timelines prescribed u/s 153(3) of the Act.”*

Accordingly, on the directions of the NFAC, the case was reopened u/s 147 r.w.s. 250 of the Income Tax Act, 1961 for the A. Y. 2013-14 and the same was allocated to the faceless assessment unit.

## **2. Details of opportunities given:**

Type of notice/ communication	Date of notice/ communication	Date of compliance given	Response of the assessee received/  not received	Date of response received	Response if type (Full/part/ adjournment)	Remarks if any.
Intimation u/s 144B	08.05.2025	-	-	-	-	-
142(1)	25.08.2025	09.09.2025	Received	09.09.2025	Full	-

### 3. This is a Case where variation is not proposed:

#### 3.1. Complete description of issues (issue wise)

The assessee is an individual and has filed return of income for the A. Y. 2013-14 u/s 139(1) of the Ac on 29.07.2013 declaring total income of Rs.3,30,200/-. Information was received by the department in the instant case that the assessee had made cash and other deposits totalling to Rs. 50,70,068/- in the Bank account maintained with M/s. Shri Renuka Mata Multi State Urban Co-operative Credit Society Ltd in F.Y. 2012-13 which was not disclosed in the ITR filed by the assessee for the year under consideration. Accordingly, the case was selected for scrutiny for A. Y. 2013-14 by issuing notice u/s 148 on 06.07.2022.

However, the assessee had not complied with the notices issued by the FAO during the assessment proceedings and the assessment order was passed ex-parte u/s 147 r.w.s 144 read with section 144B of the Income-tax Act on 15.05.2023 by making additions of Rs.50,70,068/- as unexplained money u/s 69A of the Income tax Act. Aggrieved by the above additions, the assessee had filed appeal on 17.07.2023 against the order u/s 147 rws 144 rws144B of the Income Tax Act, 1961 (the Act) dated 15.05.2023 for A. Y. 2013-14 issued by the Assessment Unit, Income Tax Department. Subsequently, the appeal was migrated to the National Faceless Appeal Centre (NFAC) in terms of Notification No.76 of 2020 in S.O.3296(E) dated

25.09.2020 issued by CBDT, New Delhi. The assessee made his submission before the appellate authority and accordingly, the NFAC vide order u/s 250 having DIN & Order No: ITBA/NFAC/S/250/2024-25/1073252283(1) dated 13.02.2025, set aside the appeal of the assessee and held as under:

*“the matter requires extensive factual verification the assessment order is set aside and the Assessing Officer is directed to make a fresh assessment after giving adequate opportunities to the appellant and complying with all extant rules and provisions and following principles of natural justice. The appellant may note that all necessary compliance should be made at the earliest and within the time limit prescribed in the notices issued by Ld AO. It should be the endeavor of the Appellant to promptly submit necessary evidences in support of his Income tax return, suo-moto or as required by the Assessing Officer without causing undue delays leading to submissions towards the fag end of the limitation period. The assessment order is set aside accordingly in accordance with proviso to Sec. 251(1)(a) with a direction to the AO to make a fresh assessment in accordance with rules and timelines prescribed u/s 153(3) of the Act.”*

Accordingly, on the directions of the NFAC, the case was reopened u/s 147 r.w.s. 250 of the Income Tax Act, 1961 for the A. Y. 2013-14 and the same was allocated to the faceless assessment unit. The major issue in the instant case is cash and other deposits totalling to Rs. 50,70,068/- made in the Bank account maintained with M/s. Shri Renuka Mata Multi State Urban Co-operative Credit Society Ltd and therefore, the nature and sources of the said deposits need to be verified.

### **3.2 Synopsis of all submissions of the assessee relating to the issue and indicating the dates of submission.**

3.2.1 Notice u/s 142(1) of the Income Tax Act, 1961 was issued to the assessee on 25.08.2025 and in response the assessee had submitted detailed reply on 09.09.2025 explaining the nature and sources of cash and other deposits along with annexures i.e. details of nature of business, nature and sources of cash deposits and other credits received in the Bank account maintained with M/s. Shri Renuka Mata

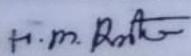
Multi State Urban Co-operative Credit Society Ltd, copies of bank accounts statements, computation of income, detailed summary of cash and other credits, license issued by the APMC etc. With respect to nature of business and nature and sources of value cash deposits, the assessee submitted that the assessee is in the business of sale of exotic flowers and has a gala (Sai Prasad Pusph Bhandar) in the Market Yard of Pune which is duly registered under Agricultural Produce Market Committee. The business of the assessee is agricultural produce sale which involve humongous cash transactions. During the year under consideration, the assessee predominantly purchased flowers from farmers in cash. Many of these farmers insist on being paid in cash, as they don't have bank accounts and many farmers have bank branches very far from their villages. These farmers are in region of Satara, Maval, Nikamwadi, Kathapur, Ambegaon, Kharpudi, Khed, Vaghapur, Sortapwadi, Talegaon. The Agricultural Produce Committee of Pune serves as the largest platform for these farmers to sell their produce at high prices. The snapshot of relevant part of submission of the assessee is attached herewith as under:

2. In the impugned assessment order it was alleged that the assessee had deposited cash to the tune of Rs 50,70,068/- during the FY 2012-13 pertaining to AY 2013-14 in his bank account maintained with Renuka Mata Cooperative Bank.
3. The due justification of the said cash deposits could not be given within the prescribed time limit due to inadvertent error from the side of the then accountant. The undersigned was engaged for the appellate proceedings and after due submissions, the CIT(A) has set aside the said impugned assessment order and restored the same for fresh consideration vide order u/s 250, dated 13.02.2025.
4. Thereafter, on the directions of the NFAC, the case of the assessee has been reopened u/s 147 rws 250 of the IT Act.
5. It is vital to mention here that the assessee is in the business of sale of exotic flowers and has a gala (Sai Prasad Pusph Bhandar) in the **Market Yard of Pune** which is duly registered under **Agricultural Produce Market Committee**. **Here is the picture of Gala with the assessee for your kind reference:**



6. The assessee is an individual and has filed return of income for AY 2013-14, declaring total income of Rs 3,30,200/- on 29.07.2013.
7. It is vital to mention here that the assessee is a commission agent selling the agricultural produce on commission. The assessee operates from a gala/ shop in the Market Yard, Pune and is registered with Agricultural Produce Market Committee, Pune. Due to his father's health issues, the assessee manages the entire business. A copy of license is hereby attached for your kind perusal please.

3

स्थायी लेखा संख्या /PERMANENT ACCOUNT NUMBER	ABKPK9757H
नाम /NAME	HARIBHAU MAHADEO KAMATHE
पिता का नाम /FATHER'S NAME	MAHADEO RAMBHAU KAMATHE
जन्म तिथि /DATE OF BIRTH	27-07-1962
हस्ताक्षर /SIGNATURE	
	आयकर आयुक्त-1, पुणे Commissioner of Income-tax I, Pune

8. The assessee's primary business involves specifically dealing in flowers, both native and exotic (like Gerbera, Dutch Roses, and Carnation flowers, among other varieties).
9. During the year under consideration, the assessee had sold various flowers and as charged the commission on the sale of flowers produce.
10. The business of the assessee is agricultural produce sale which involve humongous cash transactions. During the year under consideration, the assessee predominantly purchased flowers from farmers in cash. Many of these farmers insist on being paid in cash, as they don't have bank accounts and many farmers have bank branches very far from their villages. These farmers are in region of Satara, Maval, Nikamwadi, Kathapur, Ambegaon, Kharpudi, Khed, Vaghapur, Sortapwadi, Talegaon. The Agricultural Produce Committee of Pune serves as the largest platform for these farmers to sell their produce at high prices.

### 3.3 Summary of information/evidence collected which proposed to be used against it (attach documents if required)

Not applicable

### 3.4 Reasons for inference drawn that no variation is required on this issue:

3.4.1 The instant case was selected for scrutiny on the issue of cash and other

deposits totalling to Rs. 50,70,068/- made in the Bank account maintained with M/s. Shri Renuka Mata Multi State Urban Co-operative Credit Society Ltd and therefore, the nature and sources of the said deposits were required to be verified. Accordingly, notice u/s 142(1) of the Income Tax Act, 1961 was issued to the assessee on 25.08.2025 and in response the assessee had submitted detailed reply on 09.09.2025 explaining the nature and sources of cash and other deposits along with annexures i.e. details of nature of business, nature and sources of cash deposits and other credits received in the Bank account maintained with M/s. Shri Renuka Mata Multi State Urban Co-operative Credit Society Ltd, copies of bank accounts statements, computation of income, detailed summary of cash and other credits, license issued by the APMC etc.

3.4.2 With respect to nature of business and nature and sources of value cash deposits, the assessee submitted that *“the assessee is in the business of sale of exotic flowers and has a gala (Sai Prasad Pusp Bhandar) in the Market Yard of Pune which is duly registered under Agricultural Produce Market Committee. The business of the assessee is agricultural produce sale which involve humongous cash transactions. During the year under consideration, the assessee predominantly purchased flowers from farmers in cash. Many of these farmers insist on being paid in cash, as they don't have bank accounts and many farmers have bank branches very far from their villages. These farmers are in region of Satara, Maval, Nikamwadi, Kathapur, Ambegaon, Kharpudi, Khed, Vaghapur, Sortapwadi, Talegaon. The Agricultural Produce Committee of Pune serves as the largest platform for these farmers to sell their produce at high prices.”*

3.4.3 The documents submitted by the assessee are verified and it is observed from the bank accounts statements of the assessee that the assessee has received regular credits in his bank accounts though cash deposits as well as through other modes of transfer. The assessee has also furnished the detailed summary of cash deposited and other credits made to the bank account maintained with M/s. Shri Renuka Mata Multi State Urban Co-operative Credit Society Ltd and on perusal of same, it is observed that there are total business receipts of Rs.39,25,275/- and the other receipts transactions are in the forum of maturity of FDs of earlier year.

3.4.4 From the above, it can be seen that the claim of the assessee about trading in flowers is genuine in respect of copy of license furnished by the assessee. Further, the assessee has also furnished copy of the 7/12 document of the polyhouse land

owned by the one farmer who produces gerbera in support of his claim of dealing in flower trading. The bank account statements of the assessee also clearly shows the regular cash deposits and other credits as receipts from sales and payments to the suppliers and hence supports the claim of the assessee regarding sources of receipts as per his explanation submitted. Since, the nature of the business of the assessee has involvement of agricultural sector which is unorganized and the assessee collects the amount from the sale of agricultural produce of the farmers and deposited the same in his bank account, the involvement of cash transactions cannot be ignored. On verification of ITR and computation of income of the assessee for the year under consideration, it is observed that the assessee has shown gross receipts of Rs.39,25,275/- and has shown net profit of Rs.4,74,347/- which is 12% of gross receipts declared by the assessee, is in commensurate with the cash and other credit received in bank account for the year under consideration. Therefore, the explanation submitted by the assessee that the sources of cash and other deposits during the year were out of sale of flowers is found satisfactory.

3.4.5 The submissions made by the assessee are verified and found to be in order in comparison to books of accounts and other documents submitted by the assessee during the course of assessment proceedings. The assessee has furnished all the relevant documentary evidences in supports of all the claims made and the same are verified and no adverse inference can be drawn. In view of the above, the assessment is concluded on the returned income for the year under consideration.

### **3.5 Conclusion :**

In view of the above discussion, it is concluded that the assessee has furnished all the documentary evidences in respect of nature and sources of cash and other deposits made in his bank account for the year A. Y. 2013-14. Accordingly, the assessment is concluded under section 147 r.w.s. 250 r.w.s.144B of the Income Tax Act, 1961 accepting the returned income of the assessee.

### **4. Table of variations :**

SI No	Description	Amount (in INR)
1	Income as per Return of Income filed	Rs.3,30,200/-
2	Income as computed u/s 143(1)(a)	Rs.3,30,200/-
3	Variation in respect of the issue	NA
4	Total Income/Loss determined	Rs.3,30,200/-

5. Total income assessed u/s. 147 r.w.s. 250 r.w.s.144B of the I.T. Act, 1961.

6. Demand notice and computation of income are also attached.

Assessment Unit  
Income Tax Department

**Copy to:**

Assessee

Assessment Unit  
Income Tax Department