

**THE INCOME TAX APPELLATE TRIBUNAL
AHMEDABAD "SMC" BENCH**

**Before Dr. BRR Kumar, Vice President
And Ms. Suchitra Kamble, Judicial Member**

**ITA No. 2077/Ahd/2025
Assessment Year 2011-12**

Maqsudali Makbulali Saiyed, 9 Ram Rahim Nagar, B/H, Calico Mill No. Tekra, Behrampura, Ahmedabad Gujarat-380022 PAN: BFLPS2281C (Appellant)	Vs	The ITO, Ward-6(1)(1) Ahmedabad (Respondent)
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Assessee by: None

Revenue by: Shri Veerbadram Vislavath, Sr. D.R.

Date of hearing : 12-01-2026
Date of pronouncement : 26-02-2026

आदेश/ORDER

Per Suchitra Kamble, Judicial Member:

This is an appeal filed against the order dated 25-03-2025 passed by National Faceless Appeal Centre (NFAC), Delhi for assessment year 2011-12.

2. The grounds of appeal are as under:-

"1. The Ld. A.O., has erred in making addition of Rs. 21,30,416/- u/s 69A of the IT Act, without properly considering the withdrawal side of the bank statement of the appellant.

2. Ld. CIT(A) has erred in passing the appellate order without properly considering the submission made before him and allowed the appeal in part. Even the plea of the nature of the previous business activities has not been taken into account

though the appellant had filed the return of income before A.Y. 2011-12 under business code 0505 and thereafter from A.Y. 2018-19 to 2023-24.

3. That the appellant craves leave to add, alter, amend, modify, substitute, delete, or rescind all or any of the GROUND OF APPEAL on or before the final hearing, if necessity so arise.”

3. The assessee is engaged into construction/labour activities and has not filed return of income as his income was below the taxable threshold. The Assessing Officer passed order u/s. 144 r.w.s. 147 of the Act on 08-10-2018 thereby assessing total income at Rs. 21,30,416/- after making addition of Rs. 21,30,416/- u/s. 69A of the Act.

4. The assessee filed appeal before the CIT(A). The CIT(A) partly allowed the appeal of the assessee.

5. At the time of hearing, none appeared on behalf of the assessee but as per the submissions quoted from page 6-7 of the order of the CIT(A) made by the assessee, we are proceeding with the appeal. The ld. D.R. relied upon the assessment order and order of the CIT(A).

6. We have heard both the parties and perused all the relevant material available on record. The assessee in para 4 of his submissions before the CIT(A) has categorically mentioned that the assessee filed return of income declaring following receipts from labour contractor business u/s. 44AD from assessment year 2018-19 to 2023-24 and assessee's business that of labour construction has never changed throughout these years. The assessee has also given the details of the receipts declared which indicate that the assessee is regularly depositing the cash and withdrawing the same. There is considerable debit

entries appearing in the bank statement of the assessee. The withdrawal from the bank has been utilized by the assessee either in the form of very investment or the same has been incurred as an expenses related to assessee's business. Thus, the deposits cannot be held as undisclosed income of assessee u/s. 69A of the Act.

7. In the result, the appeal of the assessee is allowed.

Order pronounced in the open court on 26-02-2026

Sd/-
(Dr. BRR Kumar)
Vice President
Ahmedabad : Dated 26/02/2026
a.k.

Sd/-
(Suchitra Kamble)
Judicial Member

आदेश की प्रतिलिपि अग्रेषित / Copy of Order Forwarded to:-

1. Assessee
2. Revenue
3. Concerned CIT
4. CIT (A)
5. DR, ITAT, Ahmedabad
6. Guard file.

By order/आदेश से,

उप/सहायक पंजीकार
आयकर अपीलीय अधिकरण,
अहमदाबाद