

**IN THE INCOME-TAX APPELLATE TRIBUNAL, MUMBAI "J (SMC)" BENCH, MUMBAI
BEFORE SHRI PAWAN SINGH, JUDICIAL MEMBER AND
SHRI BIJAYANANDA PRUSETH, ACCOUNTANT MEMBER
ITA No. 8266/MUM/2025(AY:2018-19)**

Essa Shaikh, 3 rd Floor, Room No. 29, Ismail Dossa Building, 117 Shaida Marg, Mumbai-400009.	vs.	ITO Ward 17(1)(1), 106, Kautilya Bhavan, C-41 to C-43, G Block, BKC, Bandra (East), Mumbai-400051.
PAN/GIR No: CDGPS7700A		
(Appellant)		(Respondent)
Appellant by	Shri Gaurang Khakhkhar (Virtually Present)	
Respondent by	Shri Aditya Rai (SR DR)	
Date of Hearing	09.02.2026	
Date of Pronouncement	09.03.2026	

ORDER

PER BIJAYANANDA PRUSETH, AM:

This appeal filed by the assessee emanates from the order passed under section 250 of the Income-tax Act, 1961 (in short, 'Act') by the Commissioner of Income-Tax (Appeals), National Faceless Appeal Centre [in short, 'CIT(A)'], dated 13.10.2025 for the assessment year (AY) 2018-19.

2. The grounds of appeal raised by the assessee are as under:

"1. That the learned AO failed to appreciate that the cash deposits of Rs 17,67,475 made in the bank represent business turnover, out of which profit has already been offered and taxed under section 44AD

2. That the learned CIT Appeal erred in confirming the addition without appreciating the settled judicial principle that WHARE 2 books of account are not maintained and income is declared under section 44AD, no further scrutiny of turnover OR deposits can be made.

3. That the addition made amounts to double taxation of the 3 same business receipts, which is bad in law and contrary to the spirit of presumptive taxation.

4. That the appellant craves leave to add, amend, alter, OR withdraw any of the above grounds before OR during the course of hearing.
5. That once income is computed on presumptive basis under section 44AD, the Assessing Officer has no authority to make 5 separate addition towards cash deposits of Rs 17,67,475 OR business receipts unless the same are proved to be from unexplained OR non-business sources.
6. That the learned Assessing Officer has erred in law and on facts in reopening the assessment under section 147 of the Income-tax Act, 1961, without obtaining valid and proper sanction as prescribed under section 151 of the Act.
7. That the approval and sanction accorded by the PCIT instead of the PCCIT is invalid and without authority of law, rendering Rs. 0 the entire reassessment proceedings void ab initio.
8. That as per sub section I of section 151, in cases WHERE the reopening notice under section 148 is issued after the expiry of 8 three years from the end of the relevant assessment year, prior sanction of the PCCIT is mandatory, and approval of PCIT does not satisfy the statutory requirement.
9. That the impugned notice under section 148 having been issued by a Jurisdictionally Assessing Officer JAO and not by the Faceless Assessing Officer FAO is void ab initio and without legal sanction.
10. That the learned Assessing Officer has erred in law and on facts in making addition of cash deposits of Rs 17,67,475 in the appellant's bank account, ignoring the fact that the appellant has declared income under the presumptive taxation scheme under section 44AD of the Income-tax Act, 1961."

3. Facts of the case in brief are that the assessee filed his return of income for the AY 2018-19 on 03.06.2022 declaring total income at Rs.2,45,823/-. The total income was determined at Rs.20,13,298/- vide order u/s 147 rws 144 rws 144B of the Act dated 25.03.2024. Aggrieved by the order of AO, the assessee filed appeal before the CIT(A), who dismissed the appeal. Further aggrieved by the order of CIT(A), the appellant has filed the present appeal.

3.1 At the outset, the Ld. AR of the assessee submitted that the notice u/s 148 of the Act issued on 21.04.2022 is not valid because it was not approved by the