

आयकर अपीलीय अधिकरण, मुंबई पीठें, मुंबई
**INCOME TAX APPELLATE TRIBUNAL,
MUMBAI BENCHES, MUMBAI**

BENCH: SMC

**BEFORE HON'BLE BEENA PILLAI, JUDICIAL MEMBER
AND HON'BLE ARUN KHODPIA, ACCOUNTANT MEMBER**

ITA 1583/MUM/2026 निर्धारण वर्ष/Assmt. Year: 2011-12) Permanent Account Number: ANTPS8896E		
MANOJ KUMAR SOMAN NEELKANTH RESIDENCY-2 PLOT NO. 2, SECTOR, 46A, NEAR RELIANCE FRESH NERUL, NAVI MUMBAI- 400706, MAHARASHTRA	Vs.	CIRCLE (3)(1) AAYAKAR BHAVAN M.K ROAD, MUMBAI-400020, MAHARASHTRA
(अपीलार्थी Appellant)		(प्रत्यर्थी Respondent)
निर्धारिती द्वारा/Assessee represented by: Shri Nikhil Natekar, AR		
राजस्व द्वारा/Revenue represented by: Smt. B. Brahma Vidya - SR DR		

सुनवाई की तारीख / Date of conclusion of hearing:	12-May-2026
घोषणा की तारीख / Date of pronouncement:	14-May-2026

आदेश / ORDER

PER BEENA PILLAI, JUDICIAL MEMBER:

Present appeal is filed by the assessee against the order passed by NFAC, Delhi [hereinafter to as the "Ld.CIT(A)"] dated 19/12/2025, for A.Y. 2011-12.

2. Brief Facts of the case are as under:

The assessee did not file the regular return of income for the year under consideration. Subsequently, the case was reopened



under section 147 of the Act on the basis of information received through AIR/Form 26AS reflecting certain receipts in the name of the assessee.

2.1. In response to notice issued under section 148 of the Act, the assessee again failed to file any return of income or furnish requisite details before the Ld.AO. Consequently, the Ld.AO completed the assessment ex parte and treated the entire receipts reflected in Form 26AS as taxable income of the assessee. However, while computing the tax liability, credit for tax deducted at source appearing in Form 26AS was not granted.

Aggrieved, by the assessment order, the assessee preferred appeal before the Ld.CIT(A).

2.2. Various notices were issued by the Ld.CIT(A). However, no compliance was made on behalf of the assessee. Accordingly, the Ld.CIT(A) confirmed the action of the Ld.AO.

3. Before us, the Ld.AR submitted that the Ld.AO erred in not granting credit of TDS though the corresponding receipts reflected in Form 26AS had been treated as income of the assessee. It was contended that once the receipts were brought to tax, denial of credit for taxes already deducted therefrom would result in unjust enrichment of the Revenue and double taxation to that extent. The Ld. AR accordingly prayed that appropriate directions may be issued to grant due credit of TDS after verification from departmental records.

3.1. Per contra, the Ld. DR supported the orders of the lower authorities and submitted that the assessee neither filed the



original return of income nor complied with the notice issued under section 148 of the Act. It was contended that in the absence of any return of income, no valid claim for TDS credit was made before the Ld.AO and, therefore, no infirmity could be found in the action of the Revenue authorities.

We have considered the submissions advanced by both sides in light of records placed before us.

4. It is an undisputed position that the assessment was reopened on the basis of AIR information and, despite issuance of notice under section 148 of the Act, the assessee did not file any return of income. The Ld.AO, therefore, proceeded to complete the assessment ex parte by treating the receipts reflected in Form 26AS as income of the assessee. It is further observed that though tax had admittedly been deducted at source on such receipts, corresponding credit of TDS was not granted while computing the demand.

4.1. At the same time, we also take note of the contention of the Ld. DR that in the absence of a return of income, the assessee had not formally made a claim for grant of TDS credit. However, once the income corresponding to the receipts reflected in Form 26AS has been brought to tax, the taxes already deducted and deposited to the credit of the Central Government on such income cannot be denied merely on technical grounds. Grant of credit for TDS is consequential and co-terminus with assessment of the corresponding income, subject of course to verification of the relevant TDS entries and correlation thereof. We, therefore, set aside this limited issue to the file of the Ld.AO with a direction to



verify the claim of TDS from Form 26AS / departmental records and grant due credit in accordance with law after providing reasonable opportunity of being heard to the assessee.

Accordingly, the grounds raised by the assessee are allowed for statistical purposes.

In the result, appeal filed by assessee is allowed for statistical purposes.

Order pronounced in the open court on 14/05/2026.

Sd/-

**ARUN KHODPIA
ACCOUNTANT MEMBER**

Sd/-

**BEENA PILLAI
JUDICIAL MEMBER**

Mumbai
Dated: 14/05/2026
Sc. Sr. P.S.



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2	CIRCLE (3)(1), AAYAKAR BHAVAN M.K ROAD,, MUMBAI- 400020, MAHARASHTRA
3	THE PCIT / CIT,
4	THE D.R., ITAT, MUMBAI BENCH
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