

**IN THE INCOME TAX APPELLATE TRIBUNAL  
SURAT "SMC" BENCH, SURAT**

**BEFORE DR. B.R.R. KUMAR, VICE-PRESIDENT  
AND MS. SUCHITRA KAMBLE, JUDICIAL MEMBER**

I.T.A. Nos. 530 & 532/SRT/2025  
(Assessment Year: 2012-13 & 2021-22)

Nileshkumar Kantilal Modi, Plot No. 407/21, Swagat Society, Near Lions School, GIDC, Anklesvar, Bharuch PAN : ADFPM4150K	Vs.	The ITO, Bharuch
<b>(Appellant)</b>	..	<b>(Respondent)</b>
<b>Appellant by :</b>	Shri Rasesh Shah, C.A.	
<b>Respondent by:</b>	Shri Ashish Kumar, Sr. D.R.	
<b>Date of Hearing</b>	19.01.2026	
<b>Date of Pronouncement</b>	16.02.2026	

**ORDER**

**PER SUCHITRA KAMBLE, JUDICIAL MEMBER:-**

These two appeals are filed against the orders dated 21-02-2025 and 14-02-2025 respectively passed by CIT(A)/Addl/JCIT(A), Mumbai for assessment years 2012-13 and 2021-22.

2. Firstly, taking up ITA No. 532/Ahd/2025 A.Y. 2021-22. On perusal of the records, it appears that while processing return of income, the CPC issued notice on 21-03-2022 proposing an adjustment of Rs. 4,63,035/- u/s. 143(1)(a) on account of mismatch in expenditure indicated in audit report and ITR (1). The Assessee submitted his reply there by stating that the assessee already mention Rs. 4,63,035/- in his return (ITR) under the head "income from other sources". The bifurcation

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was under PPF interest, dividend income, savings bank interest, commission income, interest on deposits, rent and subsidy. The same was explained by the assessee stating thereby that there is no variance in return at Sl. No. 5(d) of Part A under the head “any other item of income” and Tax Audit. In response to the intimation notice, the assessee has provided clarification on 07-06-2022 mentioning that the said amount was mentioned under PPF interest, dividend income, saving’s bank interest, commission income, interest on deposits, rent and subsidy. Thus, we held that the observation of the CPC that no response was submitted by the assessee appears to be incorrect. Therefore, we direct the JAO to take into account assessee’s response dated 07-06-2022 as well as verify the reconciliation statement filed by the assessee along with affidavit. Thereafter adjudicate the same as per Income Tax Act. In ITA No.530/Srt/2025, the issue is identical. Therefore, for A.Y. 2021-22 also the JAO is directed to adjudicate the issue as mentioned hereinabove.

3. In the result, both the appeals of the assessee are partly allowed for statistical purposes.

**Order is pronounced in the open Court on 16.02.2026**

**Sd/-**

**(DR. B.R.R. KUMAR)  
VICE-PRESIDENT**

**Sd/-**

**(SUCHITRA KAMBLE)  
JUDICIAL MEMBER**

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Surat; Dated 16/02/2026  
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आदेशकीप्रतिलिपिअग्रेषित/Copy of the Order forwarded to :

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent.
3. संबंधितआयकरआयुक्त/ Concerned CIT
4. आयकरआयुक्त (अपील)/ The CIT(A)-
5. विभागीयप्रतिनिधि,आयकरअपीलीयअधिकरण ,/DR,ITAT, Surat,
6. गार्डफाईल / Guard file.

आदेशानुसार/ BY ORDER,

सहायकपंजीकार (Asstt. Registrar)  
आयकरअपीलीयअधिकरण  
ITAT, Surat