

IN THE INCOME TAX APPELLATE TRIBUNAL
NAGPUR “SMC” BENCH : NAGPUR
(Through virtual)
BEFORE DR. MANISH BORAD, ACCOUNTANT MEMBER

I.T.A.No.630/NAG/2025
(Assessment Year : 2022-2023)

Pawan Pandurang Nimkar, S/o Pandurang Ratan Nimkar, Near Tote house, Bhaji Market, Bari Pura, Darwaha, Yavatmal, Maharashtra. PAN : AIVPN 8470 G (Appellant)	vs.	ITO, Ward-1, Yavatmal. (Respondent)
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For Assessee :	Shri Pawan Kumar (in-person)
For Revenue :	Shri Surjit Kumar Saha, Sr.DR

Date of Hearing :	03.02.2026
Date of Pronouncement :	10.02.2026

ORDER

This appeal at the instance of the assessee is directed against the order of Ld. Commissioner of Income Tax (Appeals)/NFAC, Delhi [“CIT(A)”], dated 12/08/2025 passed u/s. 250 of the Income Tax Act, 1961 (for short, 'the Act') which is arising out of assessment order dated 19.03.2024 passed u/s. 143(3) r.w.s. 144B of the Act for the Assessment Year 2022-23 (A.Y.)

2. The sole grievance of the assessee is against the finding of the Ld.CIT(A) confirming the action of the Ld.AO making addition of ₹ 1,23,382/- u/s. 69A of the Act.

3. At the outset, learned assessee submitted that the alleged sum includes small amounts of loan ranging from ₹ 2000 – ₹30,000 received from friends and relatives and that too received through proper banking channel. Reference made to the declarations given by the lenders about the alleged sum to the assessee along with their identity proofs. He prayed that since the source of cash credits in the bank is duly explained, impugned addition deserves to be deleted.

4. On the other hand, Ld. Departmental Representative (DR) supported the orders of Ld. CIT(A) as well as Ld.AO.

5. I have heard rival contentions and perused the records placed before me. I observe that assessee is an individual and filed return of income for A.Y. 2022-23 on 11.07.2022 declaring income of ₹ 29,330/- along with business loss of ₹58,560/-. Based on the information about large turnover but books of accounts are not audited u/s. 44AB of the Act, case of the assessee selected for complete scrutiny through CASS. Various details called for by the Ld.AO were submitted and a detailed assessment order running into 16 pages passed by the Ld.AO making two additions, namely undisclosed income of ₹ 2,31,737/- and unexplained money u/s. 69A of the Act at ₹ 1,23,383/-. In the appeal before the Ld.CIT(A), assessee partly succeed, but for the addition of unexplained money of ₹

1,23,383/-, assessee has preferred the instant appeal before this Tribunal.

6. In the course of hearing, learned assessee has referred to the bank statement of State Bank of India, Darwaha Branch, Maharashtra in the name of assessee running into 16 pages wherein transactions from 01.04.2021 to 31.03.2022 are mentioned. It is also observed that bank balance of the assessee around the year is in the range of ₹ 100 – ₹ 30000. The alleged sum is various small amounts of loans taken by the assessee from his friends and relatives. For example, ₹2,000/- taken from Mr. Vitthal Tukaram Chaudhari, ₹2,150/- from Mr. Jayant Laxmanrao Nimkar, ₹ 3,500/- from Mr.Kohok Ganesh Gangadhar, ₹ 1,000/- from Mr. Sagar Ashok Chitale, ₹39,528/- from Mr. Dhere Pramod Navnath and others. Complete details of the alleged sum have been placed in the paper book. In total there are 42 transactions of the small amounts received from various friends and relatives totaling to the alleged sum. Learned assessee has admitted that the bank details along with identity proofs were placed before the lower authorities, but the declarations filed by each of such lenders have been filed for the first time.

7. Considering the small amounts received by the assessee and the assessee himself argued referring to all the details of the alleged sum received through banking channel from his

friends and relatives, duly supported by their declarations along with their identity proofs including Aadhaar and PAN cards, I am satisfied that assessee has furnished sufficient documentary evidence to explain the nature and source of the alleged sum of ₹ 1,23,383/-. Therefore, I am of the considered view, no addition for unexplained money u/s. 69A of the Act for the alleged sum is call for. Finding of the Ld.CIT(A) is reversed and the impugned addition of ₹ 1,23,383/- is deleted and the grounds of appeal raised by the assessee are allowed.

8. In the result, appeal of the Assessee is allowed.

Order pronounced in the open Court on 10.02.2026

Sd/-
[MANISH BORAD]
ACCOUNTANT MEMBER

Dated : 10th February, 2026

vr/-

Copy to

1.	The appellant
2.	The respondent
3.	The Pr.CIT, Nagpur concerned.
4.	D.R. ITAT, SMC Bench, Nagpur.
5.	Guard File.

By Order

//True Copy //

Senior Private Secretary
ITAT, Nagpur