

Bank during demonetization period. The assessee explained the source for cash deposits. According to the assessee, she had withdrawn sum of Rs.58,19,000/- from her bank account maintained with ICICI Bank Ltd. We find the assessee has maintained two bank accounts one with Karnataka Bank Ltd and another with ICICI Bank. The assessee is periodically withdrawing cash from ICICI Bank Account immediately after receipt of fund transferred from her husband from USA. If we go through the amount of cash withdrawal, in our considered opinion, the cash withdrawal from ICICI Bank is more than the amount of cash deposits into Karnataka Bank Account. Further, the assessee has also explained the immediate source for cash withdrawal from ICICI Bank Account and according to the assessee, her husband who works in USA has remitted funds to India. In my considered opinion, the explanation of the assessee is bonafide and acceptable for the simple reason that there is a close proximity between the dates of cash withdrawal from ICICI Bank Account and date of cash deposits during demonetization period to Karnataka Bank Ltd. Further, the assessee had also explained the immediate source for cash withdrawal from ICICI Bank Account. Therefore, once the assessee has explained the source for cash deposits, in our considered opinion, the Assessing Officer and the learned CIT (A) NFAC ought to have accepted the explanation of the assessee, unless the Assessing Officer makes out a case that the cash withdrawal from ICICI Bank Account was utilized elsewhere or applied for purchase of some assets. In the present

case, the Assessing Officer has summarily rejected the explanation furnished by the assessee without bringing on record any contrary evidence on record to disprove the claim of the assessee. The learned CIT (A) NFAC without appreciating the relevant facts simply sustained the addition made by the Assessing Officer. Thus, I set aside the order passed by the learned CIT (A) NFAC and direct the Assessing Officer to delete addition towards the cash deposits during demonetization period u/s 69A r.w.s. 115BBE of the I.T. Act, 1961.

9. In the result, appeal filed by the assessee is allowed.

Order pronounced in the Open Court on 3rd June, 2024.

Sd/-

**(MANJUNATHA, G.)
ACCOUNTANT MEMBER**

Hyderabad, dated 3rd June, 2024

Vinodan/sps

Copy to:

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3	Pr. CIT - Hyderabad
4	DR, ITAT Hyderabad Benches
5	Guard File

By Order