



**IN THE INCOME TAX APPELLATE TRIBUNAL,  
RANCHI BENCH, RANCHI**

**BEFORES/SHRI GEORGE MATHAN, JUDICIAL MEMBER  
AND RATNESH NANDAN SAHAY, ACCOUNTANT MEMBER**

**ITA No.42/RAN/2020**  
Assessment Year: 2017-18

ACIT, Central Circle-1, Office Road, Bistupur, Jamshedpur	Vs.	M/s. Jamshedpur Urban Co.Operative Bank Ltd., Tiwary Complex, Sakchi, Jamshedpur
PAN/GIR No.AACCC 8427 C		
<b>(Appellant)</b>	..	<b>( Respondent)</b>

**C.O.No.08/Ran/2020**  
**(In ITA No.42/Ran/2020)**  
Asst. Year: 2017-18

M/s. Jamshedpur Urban Co.Operative Bank Ltd., Tiwary Complex, Sakchi, Jamshedpur	Vs.	ACIT, Central Circle-1, Office Road, Bistupur, Jamshedpur
PAN/GIR No.AACCC 8427 C		
Cross objector)	..	(Appellant)

Assessee by : ShriSharwan Kumar Jha, AR  
Revenue by :Smt. Rinku Singh, CIT DR

**Date of Hearing : 09/06/2025**  
**Date of Pronouncement : 09/06/2025**

**ORDER**

**Per Bench**

This is an appeal filed by the revenue against the order of the Id CIT(A),Patna-3, in Appeal No.CIT(A),Patna-3/10358/2018-19 for the assessment year 2017-18. The assessee has also filed cross objection to the appeal filed by the revenue.

2. Smt Rinku Singh, Id CIT DR appeared for the revenue and Shri Shravan Jha, Id AR appeared for the assessee.

3. It was submitted by Id CIT DR that the assessee is a Co-operative Bank. It was the submission that there was a search and seizure operation in the business premises of the assessee, which is allegedly part of the Chandra Group on 16.12.2016. It was the submission that one Shri Hareram Singh is the key person and the promoter of the Chandra Group. It was the submission that the Jamshedpur Urban Co-operative Bank Ltd (JUCBL) was founded by Shri Hareram Singh also served as Chairman for a long time. It was the further submission that PAN status of the assessee Co-operative Bank is that of a partnership firm and is contrary to the RBI Rules. It was the submission that there were total cash deposits of Rs.3,40,56,514/- in the form of Demonetised currency during the Demonetisation period. It was the submission that the assessee had been called upon to provide the details of the persons from whom they had received the demonetized currency. The assessee had been non-cooperative and on account of non-compliance by the assessee, the Assessing Officer had treated the entire demonetized currency received by the assessee bank as unexplained

income of the assessee. It was the submission that before the Id CIT(A), the assessee had provided the list of the persons from whom, the demonetized currency had been received. It was the submission that list can be found from pages 11 to 53 of the order of Id CIT(A). It was the submission that the Id CIT(A) had deleted the addition made by the Assessing Officer without even calling for remand report from the Assessing Officer. It was the submission that without any verification, the Id CIT(A) has deleted the addition especially when the assessee has been non-cooperative in the course of assessment proceedings.

4. In reply, Id AR submitted that the assessee was subjected to a search and all the evidences were available before the Assessing Officer and the revenue. It was the submission that in view of the decision in the case of Manoj Kumar Singh vs Chief Commissioner of Income Tax, an order passed by the Central Information Commission, as all the evidences were before the Revenue authorities, the revenue cannot ask the assessee for further clarification. It was the submission that the order of the Id CIT(A) is required to be upheld. It was the submission that the Id CIT(A) has considered all the evidences produced by the assessee and has then deleted the addition.

5. We have considered the rival submissions. A perusal of the grounds raised by the revenue clearly shows that the revenue has raised the issue of violation of Rule 46A. A perusal of the assessment order also clearly shows that the assessee has not cooperated in the course of assessment proceedings. A perusal of the order of Id CIT(A) shows that substantial evidences have been

produced by the assessee before the Id CIT(A), The Id CIT(A) has not considered the provisions of Rule 46A and has admitted the additional evidences without giving any reason. Ld CIT(A) has considered such additional evidences and has deleted the addition. Here, it would be worthwhile to mention that the provisions of Rule 46A specifically provide specific conditions under which the additional evidences can be considered. Ld CIT(A) has not considered any of these conditions nor has the Id CIT(A) given any reason for admitting such additional evidences. The assessee has also not provided any reasons for producing such additional evidences before the Id CIT(A). A perusal of the order of the Id CIT(A) shows that the Id CIT(A) has disposed of the appeal of the assessee on 23.3.2020. The assessment year involved is 2016-17. The assessment order is dated 26.12.2018. Now, the appeal of the revenue is being disposed of in 2025. We are live to the fact that the assessee is a cooperative bank and the assessee can reach the ground that deposits have been made by the account holders in their account. However, the fact that the assessee has not produced the evidences before the AO and thereby has denied the AO an opportunity to call for and examining the account holders in respect of deposits and the account holders in respect of deposits clearly contumacious conduct on the part of the assessee. Here, the fact that the Id CIT(A) has not called for a remand report and has consequently denied the AO the opportunity to examine such account holders. This being so, in the interest of justice, the issues in this appeal are restored to the file of the Id CIT(A) so as to grant the revenue and the assessee

an opportunity to examine these deposits. The Id CIT(A) shall call for a remand report from the AO in regard to the evidences that are going to be produced before him or are before him. This is because there is clear case of non-cooperation by the assessee before the AO. The AO shall also examine the account holders in regard to the deposits in their bank accounts. As the account holders are with the bank and the assessee has the ability insofar as the KYC of the account holders is available with the assessee, the assessee shall produce the account holders before the AO for examination in the remand proceedings. Failure on the part of the assessee shall give the liberty to the AO to draw adverse inference.

6. In the result, appeal of the revenue stands partly allowed.

7. As the appeal of the revenue is restored back to the file of the Ld CIT(A) for fresh adjudication, cross objection of the assessee also restored to the file of the Id CIT(A) and this allowed for statistical purposes.

Order dictated and pronounced in the open court on 9/06/2025.

Sd/-  
**(RATNESH NANDAN SAHAY)**  
**ACCOUNTANT MEMBER**

Sd/-  
**(GEORGE MATHAN)**  
**JUDICIAL MEMBER**

Ranchi; Dated 09/06/2025  
B.K.Parida, SPS (OS)

**Copy of the Order forwarded to :**

1. The Appellant : ACIT, Central Circle-1, Office Road, Bistupur, Jamshedpur
2. The Respondent: M/s. Jamshedpur Urban Co.Operative Bank Ltd., Tiwary Complex, Sakchi, Jamshedpur
3. The CIT(A)-Patna-3
4. Pr.CIT,Jamshedpur
5. DR, ITAT,
6. Guard file.  
//True Copy//

**By order**

Sr.Pvt.secretary  
**ITAT, Ranchi**