

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

**Before Shri Satbeer Singh Godara, Judicial Member and  
Shri Manoj Kumar Aggarwal, Accountant Member**

**ITA No.634/Coch/2022**  
(Assessment Year:2011-12)

Ayyappa Roller Flour Mills Ltd.                      DCIT, Circle 1(1)  
Door No. V 679-C, Industrial                      Kochi  
Dev. Area, Muppathadam Post                      Vs.  
Edayar, Kochi 683110

PAN –AACCA6840M

**Appellant**

**Respondent**

Appellant by:        None  
Respondent by:     Shri M. Rajasekhar, CIT-DR

Date of Hearing:                      09.11.2022  
Date of Pronouncement:                      19.12.2022

**ORDER**

**Per: S.S. Godara, J.M.**

This assessee's appeal for A.Y. 2011-12 is against the PCIT-1, Kochi's order dated 25.03.2022, involving proceedings under Section 263 of the Income Tax Act, 1961 (in short the Act).

2. Case called twice. None appears at assessee's behest. It is accordingly proceeded ex-parte.

3. It emerges at the outset that the instant assessee's appeal hardly requires us to deal with the relevant factual matrix at length. Suffice to say, the learned PCIT's revision directions herein holds the Assessing Officer's corresponding assessment order dated 06.05.2020 as an erroneous one causing prejudice to the interest of revenue followed by his further direction to frame a fresh assessment.

4. Learned CIT-DR vehemently argued that although the Assessing Officer's impugned assessment had been completed in light of this tribunal's directions in ITA No. 548/Coch.2018 dated 09.05.2019 that the fair market value in issue ought to be computed as per the DVO's report dated 06.12.2019, the latter's report in issue stood revised by the departmental authorities and, therefore, the impugned assessment has been rightly subjected to section 263 jurisdiction.

5. All these Revenue arguments fail to evoke our concurrence. We make it clear that once the DVO had submitted its valuation report which stood accepted by the Assessing Officer, its later revision at administrative/departmental level would hardly have any adverse impact on assessment. Case law CIT vs. Dr. Indira Bhatnagar (2013) 30 taxmann.com 293 (Allahabad) holds that the DVO's computation indeed binds the Assessing Officer. Faced with this situation we reverse the PCIT's order in issue and restore the impugned assessment herein dated 06.05.2020 as the necessary corollary.

6. This assessee's appeal is allowed in above terms.

Dictated and pronounced in the open Court on 19<sup>th</sup> December, 2022.

Sd/-  
**(Manoj Kumar Aggarwal)**  
Accountant Member

Sd/-  
**(Satbeer Singh Godara)**  
Judicial Member

Cochin, Dated: 19<sup>th</sup> December, 2022

Copy to:

1. The appellant
2. The respondent
3. The CIT(A) concerned
4. The CIT concerned
5. DR ITAT Cochin Bench
6. Guard File.

By Order

n.p.

Assistant Registrar,  
ITAT Cochin