

**आयकर अपीलीय अधिकरण, राँची न्यायपीठ, राँची**

**IN THE INCOME TAX APPELLATE TRIBUNAL RANCHI BENCH, RANCHI  
BEFORE SHRI GEORGE MATHAN, JM & SHRI RATNESH NANDAN SAHAY, AM**

**आयकर अपील सं./ITA No.74 & 75/RAN/2023**

**(निर्धारण वर्ष / Assessment Year :2012-2013 & 2013-2014)**

<b>Dulu Mahato,</b> Chitahi Basti, Tundoo, Baghmara, Dhanbad-828128	Vs.	DCIT/ACIT, Circle-1, Dhanbad
स्थायी लेखा सं./PAN No. : <b>AHTPM 3749 C</b>		
(अपीलार्थी /Appellant)	..	(प्रत्यर्थी / Respondent)
निर्धारिती की ओर से /Assessee by	:	Shri Devesh Poddar, Advocate
राजस्व की ओर से /Revenue by	:	Shri Khubchand T. Pandya, Sr.DR
सुनवाई की तारीख / Date of Hearing	:	10/10/2025
घोषणा की तारीख/Date of Pronouncement	:	10/10/2025

**आदेश / O R D E R**

**Per Bench :**

These two appeals are filed by the assessee against the separate orders passed by the Id.CIT(A), National Faceless Appeal Centre (NFAC), Delhi, both dated 28.02.2023 for the assessment years 2012-2013 & 2013-2014.

2. Shri Devesh Poddar, Id. AR appeared on behalf of the assessee. Shri Khubchand T. Pandya, Sr.DR appeared on behalf of the revenue.

3. It was submitted by the Id AR that the assessee along with his four brothers jointly owned the ancestral property at Chitahi Village, Tundoo, Baghmara, Dhanbad. It was the submission that the AO estimated the cost of construction/cost of renovation of the said property at Rs.55 lakhs and apportioned the said estimated cost between two years at Rs.27.5 lakhs each. It was the submission that the house property originally belonged to the assessee's father and on his demise, it is jointly owned by the assessee

and his three brothers. It was the submission that it is fairly agreed that there has been renovation in the property. It was the submission that all the brothers are also replied to the notices issued u/s.133(6) of the Act by the AO that the renovation were done jointly out of their incomes. It was the submission that the estimation of Rs.55 lakhs itself is not done by the DVO but by the AO himself, who is not competent person to make such estimation. It was the submission that the AO in his assessment order in page 3 also records that the properties is an ancestral property. He also records that being ancestral property, the investment should have been made in the return of HUF. It was found that the HUF has not filed any return, insofar as the HUF has no source of income. It was the submission that the addition made in the hands of the assessee in his individual capacity itself is unwarranted.

4. In reply, Id. Sr. DR submitted that the assessee has admitted that there is renovation done to the property. The assessee ought to have shown the said investment in its return. The assessee having not shown the investment, the addition as made by the AO and as confirmed by the Id. CIT(A) is liable to be upheld.

5. We have considered the rival submissions. At the outset, it is an accepted fact that the property is belonged to the late father of the assessee. It is also an admitted fact that the assessee along with his three brothers jointly owned the property. This is evident from the fact that the notice u/s.133(6) of the Act have been issued to the brothers of the assessee. It is also accepted that the brothers of the assessee have

responded saying that they have also invested in the property for renovation. This being so, admittedly, the investment, if any, in the house property would have been considered in all the four hands and not that of the assessee alone. On this ground alone, the addition made by the AO and confirmed by the Id. CIT(A) for both the years under consideration should be deleted and we do so.

6. Even otherwise, the AO is not competent authority for valuation of a property. If the AO doubted the valuation or wanted the property to be valued, he ought to have referred the valuation to the DVO. This, admittedly, has not been done. Consequently, as the valuation itself is erroneous and is unsubstantiated and made by a person not competent to do the valuation, on this ground also, the addition made by the AO and confirmed by the Id. CIT(A) for both the years under consideration is liable to be deleted and we do so.

7. In the result, both appeals of the assessee are allowed.

Order dictated and pronounced in the open court on 10/10/2025.

**Sd/-**

**(RATNESH NANDAN SAHAY)**

लेखा सदस्य / ACCOUNTANT MEMBER

**Sd/-**

**(GEORGE MATHAN)**

न्यायिक सदस्य / JUDICIAL MEMBER

**राँची** Ranchi; दिनांक Dated 10/10/2025

Prakash Kumar Mishra, Sr.P.S.

**आदेश की प्रतिलिपि अग्रेषित/Copy of the Order forwarded to :**

1. अपीलार्थी / The Appellant- .
2. प्रत्यर्थी / The Respondent-
3. आयकर आयुक्त(अपील) / The CIT(A),
4. आयकर आयुक्त / CIT
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, राँची / DR, ITAT, Ranchi  
गार्ड फाईल / Guard file.

सत्यापित प्रति //True Copy//

आदेशानुसार/ BY ORDER,

**(Senior Private Secretary)**

आयकर अपीलीय अधिकरण, राँची / ITAT, Ranchi