

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'C': NEW DELHI**

**BEFORE SHRI S. RIFAUR RAHMAN, ACCOUNTANT MEMBER
and
SHRI ANUBHAV SHARMA, JUDICIAL MEMBER**

**ITA No.5035/DEL/2024
(Assessment Year: 2019-20)**

DCIT, Circle 10 (1),
New Delhi.

vs.

M/s. Interglobe Aviation Limited,
Upper Ground Floor, Gate No.2,
Western Wing, Thapar House,
Janpath,
New Delhi – 110 001.

(PAN : AABCI2726B)

(APPELLANT)

(RESPONDENT)

ASSESSEE BY : Shri Nagesh Behl, Advocate
REVENUE BY : Shri Dayainder Singh Sidhu, CIT DR

Date of Hearing : 06.05.2025
Date of Order : 09.07.2025

ORDER

PER S.RIFAUR RAHMAN, ACCOUNTANT MEMBER :

1. This appeal is filed by the assessee against the order of ld. Addl./JCIT (Appeals)-5, Chennai [hereinafter referred to as 'ld. JCIT (A)] dated 30.08.2024 for Assessment Year 2019-20 raising following grounds of appeal :-

“1. Whether on the facts and in law, the Ld. Addl./JCIT (A) is correct in holding that the contention of the assessee is factual & evident from record w.r.t. the disallowance u/s 37 of the Act amounting to Rs.11,05,60,134/- (Rs.38,48,85,884/- - Rs.27,43,25,750)

without referring relevant details or evidences or reconciliation relied upon.

2. Whether on the facts and in law, the decision of Ld. Addl./JCIT (A) is perverse as the basis of decision has not been referred to in the appellate order.”

2. At the time of hearing, ld. DR of the Revenue brought to our notice page 4 of the ld. CIT(A)’s order and submitted that in order passed under section 143(1) of the Income-tax Act, 1961 (for short ‘the Act’), the AO has disallowed expenditures under section 37 of the Act. However, ld. CIT (A) deleted the addition based on the submissions submitted by the assessee, that the amount disallowed by the ld. CIT(A) has already been offered to tax in the computation of income while filing the return of income and this amounts to double taxation. He submitted that JCIT (A) should have asked for the relevant details or reconciliation from the assessee. He strongly objected to the findings of the ld. JCIT (A).
3. On the other hand, ld. AR of the assessee brought to our notice page 44 of the paper book which is the assessment order passed u/s 143(3) of the Act wherein AO has verified all the information available on record and passed the assessment order u/s 143(3) r.w.s. 144B of the Act by determining the taxable income at NIL as per the return of income filed by the assessee. He submitted that the additions made u/s 143(1) is preliminary verification it merges with the order passed u/s 143(3) of the Act.

4. Considered the rival submissions and material placed on record. We observe that assessee has declared NIL income in their return of income. While processing the return u/s 143(1), the AO has disallowed expenditure of Rs.38,48,85,884/- u/s 37 of the Act. In appeal, ld. JCIT (A) after verifying the same and after considering the factual material and evidences placed on record, the above disallowance of expenses was deleted. Aggrieved with the above order, Revenue is in appeal before us and we observe that the case of the assessee was selected for scrutiny and in assessment passed u/s 143(3) has accepted the return of income filed by the assessee after due verification. Since the order passed u/s 143(1) merges with the order passed u/s 143(3) of the Act, we observe that Revenue has one more opportunity to verify various records submitted by the assessee at the time of regular assessment u/s 143(3) of the Act and AO found it to be in order. Therefore, grounds raised by the Revenue are dismissed.
5. In the result, the appeal filed by the Revenue is dismissed.

Order pronounced in the open court on this 9th day of July, 2025.

**Sd/-
(ANUBHAV SHARMA)
JUDICIAL MEMBER**

**sd/-
(S. RIFAUR RAHMAN)
ACCOUNTANT MEMBER**

**Dated: 09.07.2025
TS**

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

ASSISTANT REGISTRAR
ITAT, NEW DELHI