

**IN THE INCOME TAX APPELLATE TRIBUNAL GAUHATI BENCH
VIRTUAL HEARING AT KOLKATA**

**BEFORE SHRI SANJAY GARG, JUDICIAL MEMBER
AND SHRI GIRISH AGRAWAL, ACCOUNTANT MEMBER**

**ITA No.13/GTY/2022
Assessment Year: 2018-19**

Assistant Commissioner of Income-tax, Circle-2, Guwahati.	Vs.	GPT-BHARTIA JV, 201, Royal Arcade, Dr. B. Baruah Road, Guwahati- 781007, Assam (PAN: AABAG6346B)
(Appellant)		(Respondent)

Present for:

Appellant by : Shri N. T. Sherpa, JCIT
Respondent by : Shri Sanjay Mody, FCA

Date of Hearing : 05.06.2023
Date of Pronouncement : 09.06.2023

ORDER

PER GIRISH AGRAWAL, ACCOUNTANT MEMBER:

This appeal filed by the Revenue is against the order of Ld. CIT(A), National Faceless Appeal Centre (NFAC) vide Order No. ITBA/NFAC/S/250/2021-22/1041345222(1) dated 23.03.2022 against the assessment order of Income Tax Department, National e-Assessment Centre, Delhi u/s. 143(3) r.w.s. 143(3A) & 143(3B) of the Income-tax Act, 1961 (hereinafter referred to as the "Act"), dated 16.04.2021 for AY 2018-19.

2. Grounds raised by the Revenue are reproduced as under:

"1. On the facts and circumstances of the case, whether Ld. CIT(A) is justified in deleting addition of Rs.4,69,88,344/- made under section 143(1) of the Income-tax Act, 1961 by Central Processing Centre.

2. *On the facts and circumstances of the case, whether Ld. CIT(A) is justified in holding that such adjustment of Income Computation and Disclosure Standard (ICDS-III) can never be made under the provisions of section 143(1) of the Act.*

3. *On the facts and circumstances of the case, whether Ld. CIT(A) is justified in not taking note of scrutiny assessment order under section 143(3) dated 16/04/2021 before passing order u/s. 250 of the Act.*

4. *The appellant craves the leave to add/modify/alter any or all the grounds during the course of hearing/pendency of appeal.”*

3. In the present case, appeal is against the intimation passed u/s. 143(1)(a) of the Act on account of processing of return by Centralised Processing Centre (CPC), Bengaluru. Ld. CIT(A) has given relief by holding that the adjustment made in processing of return is beyond the scope of *prima facie* adjustment prescribed u/s. 143(1) of the Act. It is pertinent to note that the adjustment has been made in respect of claim under Income and Computation Disclosure Standard (ICDS)-III towards value of contract in progress at net realisable value as on 31.03.2017.

3.1. Before delving on the issue in hand, it was brought to the knowledge of the Bench of the fact that an assessment order u/s. 143(3) of the Act read with section 143(3A) and 143(3B) has been passed on 16.04.2021 by the National e-assessment Centre, Delhi. In the said assessment, same amount of addition has been made of Rs.4,69,88,344/- towards recognition of contract revenue in respect of contract in progress at net realisable value as on 31.03.2017. On a specific question by the Bench on the status of appeal against this assessment order to the Ld. Sr. DR, it was submitted that an appeal is pending before the Ld. CIT(A), National Faceless Appeal Centre (NFAC).

3.2. We note that once an assessment order has been passed u/s. 143(3), the intimation u/s. 143(1) merges into the said assessment order and loses its standalone existence. The chronology of events in this respect is important which is as under:

- (i) Intimation u/s. 143(1) : 27.02.2020;
- (ii) Assessment order u/s. 143(3) : 16.04.2021 (intimation merges);
- (iii) CIT(A) order against 143(1) intimation : 23.03.2022;
- (iv) CIT(A) order against 143(3) order : Pending

4. Considering these facts, we find that the present appeal being against intimation u/s. 143(1) challenging the adjustment made which has already been taken into consideration for the purpose of addition in the assessment completed u/s. 143(3) of the Act, is rendered as infructuous. Accordingly, we dismiss the present appeal as infructuous.

5. In the result, appeal of the revenue is dismissed.

Order pronounced in the open Court on 9th June, 2023.

Sd/-
(Sanjay Garg)
Judicial Member

Sd/-
(Girish Agrawal)
Accountant Member

Dated: 9th June, 2023

JD, Sr. P.S.

Copy to:

1. The Appellant:
 2. The Respondent
 3. CIT(A), NFAC, Delhi
 4. CIT,
 5. DR, ITAT, Guwahati Bench, Guwahati
 6. Guard file
- //True Copy//

By Order

Assistant Registrar
ITAT, Kolkata Benches, Kolkata