

IN THE INCOME TAX APPELLATE TRIBUNAL
HYDERABAD “B” BENCH: HYDERABAD

[THROUGH HYBRID HEARING]

BEFORE SHRI VIJAY PAL RAO, VICE PRESIDENT
AND
SHRI MANJUNATHA G, ACCOUNTANT MEMBER

ITA.Nos.746, 747 & 748/Hyd/2025
Assessment Year 2023-2024

Supujita Adivsory and Consultancy (OPC) Private Limited, Hyderabad – 500 029. State of Telangana PAN AAZCS9849R	vs.	The DCIT, Circle-3(1), HYDERABAD.
(Appellant)		(Respondent)

For Assessee :	Mr. K. Venkata Krishna Rao
For Revenue :	Dr. Sachin Kumar, Sr. AR [Through Hybrid Mode]

Date of Hearing :	02.06.2025
Date of Pronouncement :	03.06.2025

ORDER

PER MANJUNATHA G. :

The above batch of three appeals are filed by a single assessee viz., Supujita Adivsory and Consultancy (OPC) Private Limited against the order all dated 28.02.2025 of the learned Addl./JCIT(A)-2, Bengaluru, relating to the assessment year 2023-2024. Since common issues are

involved in all these appeals, these appeals were heard together and are being disposed of by this single consolidated order for the sake of convenience and brevity.

2. Briefly stated facts of the case are that, the appellant company is a one person company and engaged in the business of providing corporate advisory and consultancy services. The appellant company has deducted TDS of various payments and has filed quarterly TDS returns in Form-26Q for 1st, 2nd and 3rd quarters on 29.04.2023. The Assessing Officer-CPC [TDS] processed quarterly returns filed in Form-26Q for 1st and 2nd quarters on 02.05.2023 and for 3rd quarter on 03.05.2023 and also levied late filing fee u/sec.234E of the Income Tax Act, 1961 [in short “the Act”] for delay in filing quarterly returns. The appellant company has filed appeal against the order passed by the Assessing Officer, TDS [CPC] and challenged late filing fee levied u/sec.234E of the Act on the ground that there was a reasonable cause for the appellant company for not filing the quarterly returns due to ill-health of it's Director. Further, all three quarterly returns has been filed

on or before the due date for filing 4th quarter returns in Form-26Q. The learned CIT(A) after considering the relevant submissions of the appellant company and also taken note of provisions of sec.234E of the Act held that, the appellant company has failed to file quarterly returns in Form-26Q for reporting TDS deduction under various provisions of the Act, for which, late filing fee provided u/sec.234E of the Act is applicable. Therefore, the learned CIT(A) rejected the explanation of the appellant company and upheld the late filing fee levied by the Assessing Officer.

3. Aggrieved by the order of the learned CIT(A), the assessee is now in appeals before the Tribunal.

4. Learned Counsel for the Assessee Shri K. Venkata Krishna Rao referring to the due date for filing quarterly returns in Form-26Q for quarters 1, 2 and 3 for financial year 2022-2023 submitted that, although, the appellant company has filed quarterly returns in Form-26Q beyond the due date provided u/sec.200(3) of the Act, but, the said quarterly returns have been filed on or before the due date

of furnishing statement in Form-26Q for last quarter of the financial year 2022-2023 i.e., 31.05.2023, which is evident from the date of filing of the quarterly returns of all three quarters on 29.04.2023. Further, there is a reasonable cause for the appellant company in not filing the respective quarterly returns on or before the due date and the same has been explained to the learned CIT(A) by filing relevant medical records. Although, the assessee explained the reasons, but, the learned CIT(A) rejected the explanation furnished by the appellant company and upheld the late filing fee charged by the Assessing Officer. Therefore, he submitted that, late filing fee charged by the Assessing Officer and upheld by the learned CIT(A) should be deleted.

5. Dr. Sachin Kumar, Sr. AR for the Revenue, on the other hand supporting the order of the learned CIT(A) submitted that, there is a delay in filing quarterly returns in Form-26Q for all three quarters which is evident from the due date for filing statement and actual date of filing the statement. In fact, the appellant company is not disputing the date of filing the statement and delay in filing the said

statement. However, argued in light of reasonable cause, even though the Law does not provide for reasonable cause in respect of charging of late filing fee u/sec.234E of the Act. Therefore, he submitted that, there is no merit in the arguments of the appellant company and thus, the order of the learned CIT(A) should be upheld.

6. We have heard both the parties, perused the material on record and gone through the orders of the authorities below. The provisions of sec.234E of the Act provides for late filing fee for delay in filing of quarterly statement in reporting TDS deductions under relevant Forms prescribed for this purpose and as per the said provisions, in case, there is a delay in filing the statement in Form-26Q for relevant quarters, then, the Assessing Officer shall compute late filing fee u/sec.234E of the Act at the prescribed rate. In the present case, the appellant company has filed Form-26Q for 1st, 2nd and 3rd quarters for the financial year 2022-2023 on 29.04.2023, which is beyond the due date provided under the provisions of sec.200(3) of the Act. However, the said quarterly returns were filed on or

before the due date for filing of 4th quarterly return in Form-26Q i.e., before 31.05.2023. It was the argument of the Counsel for the Assessee that, appellant company could not file quarterly returns on or before the due date due to ill-health of the Director of the appellant company, for which, the appellant company has filed relevant medical records and as per the said medical records, the Director of the appellant company has undergone surgery for spinal-cord treatment. After going through the relevant records furnished by the appellant company and also considering the fact that, all three quarters returns in Form-26Q has been filed on or before the due date for filing 4th quarter return for the relevant financial year, in our considered view, there is no inconvenience is caused either to the Department or to the persons from whom TDS has been recovered because, in any case, the appellant company has paid relevant TDS along with interest and also reported particulars of deduction of TDS by filing the statement in Form-26Q well beyond the due date provided for filing 4th quarterly return of the financial year. Therefore, we are of

the considered view that there is a reasonable cause for the appellant company in not filing the return on or before the due date provided for each quarter of the financial year and thus, in our considered view, the Assessing Officer, TDS [CPC] ought not to have levied late filing fee u/sec.234E of the Act. The learned CIT(A) without considering relevant facts, simply sustained the late filing fee charged by the Assessing Officer. Thus, we set-aside the order of the learned CIT(A) and direct the Assessing Officer to delete the late filing fee charged u/sec.234E of the Act for 1st, 2nd and 3rd quarters for the financial year 2022-2023. Accordingly, the grounds of appeal of the appellant company in these three appeals are allowed.

7. In the result, all the three appeals of the Assessee are allowed. A copy of this common order be placed in the respective case files.

Order pronounced in the open Court on 03.06.2025.

Sd/-
[VIJAY PAL RAO]
VICE PRESIDENT

Sd/-
[MANJUNATHA G]
ACCOUNTANT MEMBER

Hyderabad, Dated 03rd June, 2025

VBP

Copy to

1.	Supujita Adivsory and Consultancy (OPC) Private Limited, H.No.3-6-674/A1, Lalitha Avenue, St. No.10, Himayatnagar, Hyderabad – 500 029.
2.	The DCIT, Circle-3(1), Signature Towers, Kondapur Road, Hyderabad – 500 084. Telangana.
3.	Addl./JCIT(A)-2, Bengaluru.
4.	The Pr. CIT, Hyderabad.
5.	The DR ITAT “B” Bench, Hyderabad.
6.	Guard File.

//By Order//

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