

**IN THE INCOME TAX APPELLATE TRIBUNAL
“B” BENCH : BANGALORE**

BEFORE SMT. BEENA PILLAI, JUDICIAL MEMBER
AND
SHRI LAXMI PRASAD SAHU, ACCOUNTANT MEMBER

ITA Nos. 1236 & 1237/Bang/2024
Assessment year : 2021-22

IQVIA RDS (India) Pvt. Ltd., [Successor of Cenduit India Services Private Limited], Omega Embassy Techsquare Marathahalli Sarjapur Outer Ring Road, Bellandur, Kadubeesanahalli, Bangalore – 560 103. PAN : AAACQ 0935H	Vs.	The Deputy Commissioner of Income Tax, Circle 3(1)(1), Bangalore.
APPELLANT		RESPONDENT

Appellant by	:	Shri Sharath Rao, CA
Respondent by	:	Shri D.K. Mishra, CIT(DR)(ITAT), Bengaluru.

Date of hearing	:	06.08.2024
Date of Pronouncement	:	22.08.2024

ORDER

Per Laxmi Prasad Sahu, Accountant Member

These two appeals filed by the assessee are against separate orders dated 9.5.2024 of the Addl./Jt.CIT(Appeals)-2, Ahmedabad, for the AY 2021-22 in not condoning the delay and dismissing the appeals as not maintainable.

2. Since identical issues are involved in both the appeals regarding non-condonation of delay by the CIT(Appeals) of 50 days and 90 days respectively, therefore we are first taking up ITA No.1236/Bang/2024 and the decision on this appeal shall apply mutatis mutandis to ITA No.1237/Bang/2023.

3. The grounds of appeal raised in ITA No.1236/Bang/2024 are as under:-

“1. Order is bad in law and against the principle of on natural justice

1.1 The order dated 09 May 2024 passed by the Additional/ Joint Commissioner of Income Tax (Appeals) — 2 [CIT(A)] under section 250 of the Income-tax Act, 1961 [Act] pursuant to the appeal filed against the Intimation dated 13 November 2022 issued by the Assistant Director of Income-tax, Centralized Processing Center [ADIT-CPC] u/s 143(1) of the Act, is bad in law and against the principles of natural justice.

2 Not condoning the delay in filing appeal before CIT(A) against Intimation order

2.1 The CIT(A) has erred in not condoning the delay in filing appeal before CIT(A) against Intimation order passed under section 143(1) of the Act.

3 Erroneous adjustment under section 43B of the Act towards Bonus payment (Rs.2,362,501)

3.1 The CIT(A) erred in not adjudicating the ground raised for disallowing INR 9,386,922 for Bonus paid by the Appellant for the subject AY.

3.2 The CIT(A) along with CPC erred in not appreciating the fact that the amount was reversed/ actually paid by the Company before the date of filing ROI for subject AY. Accordingly, claimed as per the provisions of section 43B of the Act.

4 **Erroneous computation of interest under section 234C of the Act (Rs.64,433)**

4.1 The CIT(A) erred in not adjudicating the ground raised for erroneous computation of interest under section 234C of the Act by CPC.

5 **Relief**

5.1 The Appellant prays that the CIT(A) be directed to grant all such relief arising from the preceding grounds and also all relief consequential thereto.

5.2 The Appellant craves leave to add to or alter, by deletion, substitution or otherwise, any or all of the above grounds of objections, at any time before or during the hearing of the Appeal.”

4. Briefly stated the facts of the case are that IOVIA RDS (India) Private Limited [Successor of Cenduit India Services Private Limited] is engaged in the business of providing clinical trials services and related data management, data processing and laboratory testing services to various pharmaceuticals companies. The assessee filed return of income on 15.03.2022 declaring income of Rs.8,37,94,158 which was processed u/s. 143(1) on 13.11.2022 and intimated to the assessee with the following adjustments:-

No.	Nature of adjustment	Amount (in INR)
1.	Inconsistency in expenditure of personal nature reported in ITR vs. Tax Audit Report ('TAR') for AY 2021-22	9,98,000
2.	Inconsistency in bonus disallowable under section 43B of the Act reported in ITR vs. TAR for AY 2021-22	93,86,923

5. The assessee did not login e-filing portal and therefore was unable to note the intimation issued by the CPC. Thereafter the assessee came to know that return has been processed and demand raised u/s. 143(1) and proceeded to file appeal which caused delay of 90 days before the First Appellate Authority (FAA). In this regard the assessee filed reasons for delay before the FAA which is incorporated in para 6.1 of the appellate order which was not accepted and the FAA relying on various judgments dismissed the appeal of the asse without going into merits of the case. Aggrieved from the above order, the assessee filed appeal before the ITAT.

6. The ld. AR reiterated the reasons for delay in fling appeal before the FAA and submitted that there was reasonable cause. Cenduit India Services P. Ltd. got merged with the appellant and accordingly it was not in existence on the date of passing the intimation order as on 13.11.2022. The company took note of the said intimation much later when it logged on the e-portal and observed an outstanding demand. Accordingly the assessee could not file appeal within stipulated time as per s. 249(2) with the FAA. The merger was in pursuance of provisions of Companies Act, 2013 w.e.f. 1.4.2021 and accordingly appeal has been filed under assessee's PAN.

7. The ld. DR relied on the order of lower authorities.

8. Considering the rival submissions, we note that there is delay in filing appeal before the FAA of 90 days which was not condoned. The ld. AR submitted the reason that because of the merger of the company

the assessee could not visit the e-portal and this caused delay in filing appeal which is reasonable cause. After hearing both the parties, it is observed that there are sufficient reasons for the delay and following the judgment of the Hon'ble Apex Court in the case of Collector, Land Acquisition Vs. MST. Katiji and Others (1987) 167 ITR 471, delay in filing the appeal before the CIT(Appeals) is condoned. We remit the issues back to the file of Id. FAA for decision on merits of the case after giving reasonable opportunity of being heard to the assessee. The assessee is directed to update its email id, communication address and other details and file necessary documents that would be essential and required for substantiating his case and for proper adjudication by the revenue authorities. The assessee is directed to cooperate with the proceedings for early disposal of the case.

9. In the result, both the appeals by the assessee are allowed for statistical purposes.

Pronounced in the open court on this 22nd day of August, 2024.

Sd/-
(BEENA PILLAI)
JUDICIAL MEMBER

Sd/-
(LAXMI PRASAD SAHU)
ACCOUNTANT MEMBER

Bangalore,
Dated, the 22nd August, 2024.

/Desai S Murthy/

Copy to:

1. Appellant
2. Respondent
3. Pr.CIT
4. CIT(A)
5. DR, ITAT, Bangalore.

By order

Assistant Registrar
ITAT, Bangalore.