आयकर अपीलीय अधिकरण न्यायपीठ रायपुर में।
IN THE INCOME TAX APPELLATE TRIBUNAL,
RAIPUR BENCH, RAIPUR

BEFORE SHRI PARTHA SARATHI CHAUDHURY, JUDICIAL MEMBER
AND
SHRI AVDHESH KUMAR MISHRA, ACCOUNTANT MEMBER

आयकर अपील सं. / ITA Nos.46 & 47/RPR/2026

निर्धारण वर्ष / Assessment Year : 2013-14

Janta Industries
Durga Talkies Road,
Rajnandgaon (C.G.)-491 441
PAN: AAFFJ9101J

.....अपीलार्थी / Appellant

बनाम / V/s.

The Income Tax Officer (TDS)
Centralized Processing Centre (CPC)
Bengaluru

.....प्रत्यर्थी / Respondent

Assessee by : None (written submission)
Revenue by : Dr. Priyanka Patel, Sr. DR

सुनवाई की तारीख / Date of Hearing : 19.02.2026
घोषणा की तारीख / Date of Pronouncement : 19.02.2026

आदेश / ORDER

PER PARTHA SARATHI CHAUDHURY, JM:

The captioned appeals preferred by the assessee emanates from the respective orders of the Ld.CIT(Appeals)/NFAC, dated 29.11.2025 for the assessment year 2013-14 as per the grounds of appeal on record.

2. The main grievance in both these appeals is with regard to the imposition of late filing fee u/s.234E of the Income Tax Act, 1961 (for short 'the Act'). It was the contention of the assessee that prior to 01.06.2015, there cannot be any levy of late fee u/s. 234E of the Act. That for the sake of convenience, we would take up ITA No.46/RPR/2026 as lead case.

ITA No.46/RPR/2026, A.Y.2013-14

3. The brief facts in this case are that the assessee filed its TDS return in Form 26Q (3rd quarter) for A.Y.2013-14 belatedly and therefore, the A.O imposed levy of fee u/s.234E of the Act amounting to Rs.14,694/-.

4. The Ld. CIT(Appeals)/NFAC has upheld the addition made u/s. 234E of the Act as per the discussion given in its order.

5. The Ld. Sr. DR vehemently supported the findings of the sub-ordinate authorities.

6. We have heard the submissions of the Ld. Sr. DR and considered the written submissions filed by the assessee. We find that this issue had come up for adjudication before the Raipur Bench in a series of cases of **Chhattisgarh Gramin Bank Vs. Income Tax Officer (TDS), Bilaspur**, ITA Nos.117 to 120/RPR/2015, ITA Nos.88 & 89/RPR/2015, ITA Nos.100 & 101/RPR/2015, ITA Nos.96 & 97/RPR/2015, ITA No.79/RPR/2015, ITA Nos. 99 & 101/RPR/2016, ITA No.129/RPR/2016 and ITA No. 130/RPR/2016, dated 23.06.2016 wherein it was observed by the Tribunal as follows:

> "A division Bench of this Tribunal in the case of Sibia Healthcare Private Limited Vs. DCIT- ITA No.90/Asr/2015, vide order dated 9th June, 2015 (2015) 171 TTJ 145 (Asr) has decided this issue in favour of the assessee by inter alia holding as follows:
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> 4. We have heard the rival contentions, perused the material on record and duly considered facts of the case in the light of the applicable legal position. In addition to his argument on the merits, learned counsel has also invited our attention to the reports about the decisions of various Hon'ble High Courts, including Hon'ble Kerala High Court, in the case of Narath Mapila LP School Vs Union of India [WP (C) 31498/2013(J)], Hon'bleKaranataka High Court in the case of AdithyaBizor P Solutions Vs Union of India [WP No. 6918-6938/2014(T-IT), Hon'ble Rajasthan High Court in the case of Om PrakashDhootVs Union of India [WP No. 1981 of 2014] and of Hon'ble Bombay High Court in the case of RashmikantKundaliaVs Union of India [WP No. 771 of 2014], granting stay on the demands raised in respect of fees under section 234E. The full text of these decisions were not produced before us. However, as admittedly there are no orders from the Hon'ble Courts above retraining us from our adjudication on merits in respect of the issues in this appeal, and as, in our humble understanding, this appeal requires adjudication on a very short legalissue, within a narrow

compass of material facts, we are proceeding to dispose of this appeal on merits.

5. We may produce, for ready reference, section 234E of the Act, which was inserted by the Finance Act 2012 and was brought into effect from 1st July 2012. This statutory provision is as follows:

234E. Fee for defaults in furnishing statements

(1) Without prejudice to the provisions of the Act, where a person fails to deliver or cause to be delivered a statement within the time prescribed in sub-section (3) of section 200 or the proviso to subsection (3) of section 206C, he shall be liable to pay, by way of fee, a sum of two hundred rupees for every day during which the failure continues.

(2) The amount of fee referred to in sub-section (1) shall not exceed the amount of tax deductible or collectible, as the case may be.

(3) The amount of fee referred to in sub-section (1) shall be paid before delivering or causing to be delivered a statement in accordance with sub-section (3) of section 200 or the proviso to sub-section (3) of section 206C.

(4) The provisions of this section shall apply to a statement referred to in sub-section (3) of section 200 or the proviso to sub-section (3) of section 206C which is to be delivered or caused to be delivered for tax deducted at source or tax collected at source, as the case may be, on or after the 1st day of July, 2012.

6. We may also reproduce the Section 200A which was inserted by the Finance Act 2009 with effect from 1st April 2010. This statutory provision, as it stood at the relevant point of time, was as follows:

200A: Processing of statements of tax deducted at source

(1) Where a statement of tax deduction at source, or a correction statement, has been made by a person deducting any sum (hereafter referred to in this section as deductor) under section 200, such statement shall be processed in the following manner, namely:—

(a) the sums deductible under this Chapter shall be computed after making the following adjustments, namely:—

(i) any arithmetical error in the statement; or

(ii) an incorrect claim, apparent from any information in the statement;

(b) the interest, if any, shall be computed on the basis of the sums deductible as computed in the statement;

(c) the sum payable by, or the amount of refund due to, the deductor shall be determined after adjustment of amount computed under clause (b) against any amount paid under section 200 and section 201, and any amount paid otherwise by way of tax or interest;

(d) an intimation shall be prepared or generated and sent to the deductor specifying the sum determined to be payable by, or the amount of refund due to, him under clause (c); and

(e) the amount of refund due to the deductor in pursuance of the determination under clause (c) shall be granted to the deductor:

Provided that no intimation under this sub-section shall be sent after the expiry of one year from the end of the financial year in which the statement is filed.

Explanation : For the purposes of this sub-section, "an incorrect claim apparent from any information in the statement" shall mean a claim, on the basis of an entry, in the statement—

(i) of an item, which is inconsistent with another entry of the same or some other item in such statement;

(ii) in respect of rate of deduction of tax at source, where such rate is not in accordance with the provisions of this Act;

(2) For the purposes of processing of statements under sub-section (1), the Board may make a scheme for centralised processing of statements of tax deducted at source to expeditiously determine the tax payable by, or the refund due to, the deductor as required under the said subsection.

7. By way of Finance Act 2015, and with effect from 1st June 2015, there is an amendment in Section 200A and this amendment, as stated in the Finance Act 2015, is as follows:

In section 200A of the Income-tax Act, in sub-section (1), for clauses (c) to (e), the following clauses shall be substituted with effect from the 1st day of June, 2015, namely:—

"(c) the fee, if any, shall be computed in accordance with the provisions of section 234E;

(d) the sum payable by, or the amount of refund due to, the deductor shall be determined after adjustment of the amount computed under clause (b) and clause (c) against any amount paid under section 200 or section 201 or section 234E and any amount paid otherwise by way of tax or interest or fee;

(e) an intimation shall be prepared or generated and sent to the deductor specifying the sum determined to be payable by, or the amount of refund due to, him under clause (d); and

(f) the amount of refund due to the deductor in pursuance of the determination under clause (d) shall be granted to the deductor.

8. In effect thus, post 1st June 2015, in the course of processing of a TDS statement and issuance of intimation under section 200A in respect thereof, an adjustment could also be made in respect of the "fee, if any, shall be computed in accordance with the provisions of section 234E". **There is no dispute that what is impugned in appeal before us is the intimation under section 200A of the Act, as stated in so many words in the impugned intimation itself, and, as the law stood, prior to 1st June 2015, there was no enabling provision therein for raising a demand in respect of levy of fees under section 234E.** While examining the correctness ofthe intimation under section 200A, we have to be guided by the limited mandate of Section 200A, which, at the relevant point of time, permitted computation of amountrecoverable from, or payable to, the tax deductor after making the following adjustments:

(a). after making adjustment on account of "arithmetical errors" and "incorrect claims apparent from any information in the statement"

- Section 200A(1)(a)

(b). after making adjustment for 'interest, if any, computed on the basis of sums deductible as computed in the statement".

- Section 200A(1)(b)

> 9. No other adjustments in the amount refundable to, or recoverable from, the tax deductor, were permissible in accordance with the law as it existed at that point of time.
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> 10. In view of the above discussions, in our considered view, the adjustment in respect of levy of fees under section 234E was indeed beyond the scope of permissible adjustments contemplated under section 200A. This intimation is an appealable order under section 246A(a), and, therefore, the CIT(A) ought to have examined legality of the adjustment made under this intimation in the light of the scope of the section 200A. Learned CIT(A) has not done so. He has justified the levy of fees on the basis of the provisions of Section 234E. That is not the issue here. The issue is whether such a levy could be effected in the course of intimation under section 200A. The answer is clearly in negative. No other provision enabling a demand in respect of this levy has been pointed out to us and it is thus an admitted position that in the absence of the enabling provision under section 200A, no such levy could be effected. As intimation under section 200A, raising a demand or directing a refund to the tax deductor, can only be passed within one year from the end of the financial year within which the related TDS statement is filed, and as the related TDS statement was filed on 19th February 2014, such a levy could only have been made at best within 31st March 2015. That time has already elapsed and the defect is thus not curable even at this stage. In view of these discussions, as also bearing in mind entirety of the case, the impugned levy of fees under section 234E is unsustainable in law. We, therefore, uphold the grievance of the assessee and delete the impugned levy of fee under section 234E of the Act. The assessee gets the relief accordingly."

7. Further, the **Co-ordinate Bench of the Tribunal, Jodhpur** on the issue whether the order passed u/s.200A of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') by the Assessing Officer and confirmed by the Ld. CIT(A) and creating demand for late filing of fees u/s.234E of the Act was justified or not, in the case of **Government Secondary School Vs. ACIT in ITA Nos. 57 to 60/Jodh/2017** has held as under :

"4. After considering the rival submissions, perusing the relevant material on case record and carefully going through the paper book as well as the various decisions cited by the Ld. AR, we find that similar issue cropped up before us in the case of Rantam Granite Marbles Pvt. Ltd. and others vide ITA Nos. 419 to 423/Jodh/2016 for Assessment Years 2013-14 and 2014-15 order dated 18.05.2017 wherein we have held as under:

"10. We have heard the rival submissions, perused the relevant material on record and have carefully gone through the paper book as well as the various decisions cited by the ld. AR. The only issue arising out of all these appears is as to at what point of time chargeability of levying fees can be done even prior to the amendment was effected i.e.1.06.2015. We observe that in the case of G. Indrani(supra.), the ITAT Chennai Bench has held that prior to 01.06.2015, there was no enabling provision of section 200A of the Act for making adjustment in respect of the statement filed by the assessee with regard to tax deducted at source by levying fee under section 234E of the Act. The Assessing Officer has exceeded his jurisdiction in levying fee u/s.234E of the Act while processing the statement and made adjustment u/s.200A of the Act which is not justified. Thus while processing statement under section 200A of the Act, the Assessing Officer cannot make any adjustment by levying fee under section 234E prior to 01.06.2015. Therefore, the Tribunal was of the considered opinion that the fee levied by the Assessing Officer under section 234E of the Act while processing the statement of tax deducted at source was beyond the scope of adjustment provided under section 200A of the Act and deleted the same the eye of law.

11. The Amritsar Bench of the Tribunal in the case of Sibia Healthcare (supra.) has opined that the matter in question was if the fees u/s.234E in respect of defaults in furnishing TDS statement could be levied in intimation u/s.200A of the Act so far as period prior to 1.06.2015 was concerned. It was held that the impugned levy of fee u/s.234E was unsustainable in law.

12. Similarly, the Ahmedabad Bench of the Tribunal in the case of Krishna Art Silk Cloth Pvt. Ltd. (supra.) held that in a case where the Assessing Officer had charged fees against the assessee u/s.234E of the Act for late filing of TDS which was confirmed by the Ld. CIT(A), it was held by the Co-ordinate Bench that TDS statement was failed on 19.2.2014, such a levy could only have been made at best within 31.03.2015. It was further held that time had already elapsed and defect was thus not curable even at this stage. Accordingly, the Tribunal holding that the impugned levy of

> fees u/s.234E was unsustainable in law, deleted the levy of late fee imposed u/s.234E of the Act.
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> 13. **On the basis of the above judicial pronouncements which were placed before us, on perusal and analyzing the details , it is absolutely clear that prior to 1.6.2015, there was no enabling provision in section 200A of the Act for raising a demand in respect of levying fee u/s.234E of the Act. Therefore, we hold that the intimation u/s.200A of the Act as confirmed by the Ld. CIT so far as levying of fees u/s.234E of the Act is, therefore, set aside and the fees levied is deleted. Ground raised by the assessee is allowed.**

8. Reverting to the present case, it had emanated from the facts that the assessee filed TDS return in Form 26Q (3rd quarter) for A.Y.2013-14 belatedly, for which, the Revenue had levied fee u/s. 234E of the Act amounting to Rs.14,946/-. That as per examination of the facts and circumstances and the judicial principles upheld in the above referred decisions, there was no power with the Revenue to impose fee u/s. 234E of the Act prior to 01.06.2015. In other words, imposition of late filing fee u/s. 234E of the Act would be effective with the Department from F.Y.2015-16 relevant to A.Y.2016-17 onwards and not prior to that. The present case pertains to A.Y.2013-14 (3rd quarter) which is therefore outside the purview of levy of late fee u/s. 234E of the Act. Hence the A.O is directed to delete the said late fee from the hands of the assessee.

9. In the result, appeal of the assessee in ITA No.46/RPR/2026 for A.Y.2013-14 is allowed.

ITA No.47/RPR/2026, A.Y.2013-14

10. The brief facts in this case are that the assessee filed its TDS return in Form 26Q (2nd quarter) for A.Y.2013-14 belatedly and therefore, the A.O imposed levy of fee u/s.234E of the Act amounting to Rs.4,400/-.

11. Since the facts and issue involved in the present appeal except the amount is absolutely similar and identical to ITA No.46/RPR/2026, therefore, our ruling as in ITA No.46/RPR/2026 shall apply *mutatis-mutandis* to ITA No.47/RPR/2026, A.Y.2013-14 also. In this case also, we set aside the order of the Ld. CIT(Appeals)/NFAC and allow the appeals of the assessee.

12. In the result, appeal of the assessee in ITA No.47/RPR/2026 for A.Y.2013-14 is allowed.

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

Order pronounced in the open court on 19th February, 2026.

Sd/-	Sd/-
AVDHESH KUMAR MISHRA	**PARTHA SARATHI CHAUDHURY**
(ACCOUNTANT MEMBER)	**(JUDICIAL MEMBER)**

रायपुर/ RAIPUR ; दिनांक / Dated : 19th February, 2026.
SB, Sr. PS

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

1. अपीलार्थी /The Appellant.
2. प्रत्यर्थी /The Respondent.
3. The CIT(Appeals)-1, Raipur (C.G.)

4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, रायपुर बेंच,
रायपुर / DR, ITAT, Raipur Bench, Raipur.
5. गार्ड फ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

// True Copy //

Senior Private Secretary
आयकर अपीलीय अधिकरण, रायपुर / ITAT, Raipur.