

**IN THE INCOME TAX APPELLATE TRIBUNAL
HYDERABAD BENCHES "A" : HYDERABAD
(THROUGH VIDEO CONFERENCE)**

**BEFORE SHRI S.S.GODARA, JUDICIAL MEMBER
AND
SHRI LAXMI PRASAD SAHU, ACCOUNTANT MEMBER**

I.T.A. No.607/HYD/2020

Assessment Year: 2019-20

M/s.Ratnadeep Retail Private Limited, SECUNDERABAD [PAN: AABCR8939B]	Vs	DCIT, Circle-3(1), Hyderabad
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(Appellant)

(Respondent)

For Assessee : NONE

For Revenue : Shri A.Venkata Rao, DR

Date of Hearing : 18-08-2021

Date of Pronouncement : 20-09-2021

ORDER

PER S.S.GODARA, J.M. :

This assessee's appeal for AY.2019-20 arises from the CIT(A)-3, Hyderabad's order dated 15-09-2020 passed in case No.10028 / 2020-21 / C / CIT(A)-3, involving proceedings u/s. 143(1) of the Income Tax Act, 1961 [in short, 'the Act'].

Case called twice. None appears at the assessee's behest. It is accordingly proceeded *ex-parte*.

2. Coming to the sole substantive issue of ESI/PF disallowance of Rs.3,84,560/- the Revenue's plea before us is that the same had been paid before the due date of filing Sec.139(1) return and after the due date prescribed in the

corresponding statutes; respectively. We notice in this factual backdrop that the legislature has not only incorporated necessary amendment in Sections 36(1)(va) but also u/s.43B of the Act vide Finance Act, 2021 followed by the CBDT's Memorandum of Explanation that the same applies w.e.f. 01-04-2021 only. It is further not an issue that the foregoing legislative amendments have proposed employers' contribution/disallowance u/s 43B as against employee's contribution u/s 36 (va) of the Act; respectively. However, keeping in mind the fact that the same has been clarified to be applicable w.e.f.01-04-2021 only, we hold that the impugned disallowance is not sustainable in view of all these latest developments. The impugned ESI/PF disallowance is deleted therefore.

3. This assessee's appeal is allowed in above terms.

Order pronounced in the open court on 20th September, 2021

Sd/-
(LAXMI PRASAD SAHU)
ACCOUNTANT MEMBER

Sd/-
(S.S.GODARA)
JUDICIAL MEMBER

Hyderabad,
Dated: 20-09-2021

Copy to :

1.M/s.Ratnadeep Retail Private Limited, D-18, Vikrampuri, Secunderabad.

2.The DCIT, Circle-3(1), Hyderabad.

3.CIT(Appeals)-3, Hyderabad.

4.Pr.CIT-3, Hyderabad.

5.D.R. ITAT, Hyderabad.

6.Guard File.