

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH 'F', NEW DELHI**

**BEFORE SH. CHANDRA MOHAN GARG, JUDICIAL MEMBER  
AND SHRI M. BALAGANESH, ACCOUNTANT MEMBER**

ITA No.1645/Del/2022  
(Assessment Year : 2018-19)

|   |     |                                 |
|---|-----|---------------------------------|
| Rai Bahadur Narain Singh<br>Sugar Mills Ltd.,<br>Plot No.5, B- Block,<br>Middle Circle –<br>Connaught Place,<br>New Delhi | Vs. | ACIT<br>Circle – 21(1)<br>Delhi |
| <b>PAN No. AAACR 0924 M</b>   |     |                                 |
| <b>(APPELLANT)</b>  |     | <b>(RESPONDENT)</b>             |

|             |                              |
|-------------|------------------------------|
| Assessee by | Ms. Aditi Gupta, Adv.        |
| Revenue by  | Shri Vivek Vardhan, Sr. D.R. |

|                        |            |
|------------------------|------------|
| Date of hearing:       | 04.09.2023 |
| Date of Pronouncement: | 06.09.2023 |

**PER CHANDRA MOHAN GARG, JM :**

This appeal filed by the assessee is directed against the order of the National Faceless Appeal Centre (NFAC)- Delhi, dated 24.05.2022 for Assessment Year 2018-19.

2. Pressing into service the sole ground of assessee, the Learned Counsel drew our attention towards pages 46-47 of assessee paper book and submitted that the assessee generated Challan on 15.01.2018 at 18:10:46 but the receipts could be generated on 16.01.2018 at 9:15:51 and thus there is no default on the part of the assessee as the delay of 9 hours 15 minutes was caused due to the

technical default in the Departmental Portal of Employees' Provident Fund payment. The Learned Sr. DR supported the orders of the authorities below. However, he did not controvert that the assessee generated Challans on 15.01.2018 and the receipt could be generated at 9:15 AM on 16.01.2018.

3. On careful consideration of the submissions, we are of the considered view that since undisputedly the impugned amount of Employees' Contribution to ESI/PF was offered by the assessee for making payment of Employees' Contributions to Provident Fund on 15.01.2018 and Challan was generated but the transactions could be completed by the delay of 9 hours 15 minutes on 16.01.2018 due to some technical problems in the Departmental Portal of Employees' Contribution to Provident Fund. In our considered opinion, when the assessee has started process of payment of Employees' Contribution to ESI/EPF before expiry of time limit and the same was completed by the delay of only 9 hours and 15 minutes due to technical problem or fault in the relevant portal then the addition/disallowance cannot be made in the hands of assessee, if any technical problem arises, which is beyond control of the assessee then the assessee cannot be punished merely because there was a delay of some hours in generating the payment receipt by the assessee. Accordingly, the sole ground of assessee is allowed and AO is directed to delete the addition.

4. In the result, appeal of the assessee is allowed.

**Order pronounced in the open court on 06.09.2023**

**Sd/-**

**(M BALAGANESH)  
ACCOUNTANT MEMBER**

Date:- 06.09.2023

*Priiti Yadav, Sr. PS\**

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

**Sd/-**

**(CHANDRA MOHAN GARG)  
JUDICIAL MEMBER**

ASSISTANT REGISTRAR  
ITAT NEW DELHI