

**IN THE INCOME TAX APPELLATE TRIBUNAL,  
AGRA BENCH, AGRA**

**BEFORE : SHRI S. RIFAUR RAHMAN, ACCOUNTANT MEMBER  
AND  
SHRI SUNIL KUMAR SINGH, JUDICIAL MEMBER**

**ITA No. 167/Agr/2022  
Assessment Year: 2018-19**

M/s. Satyam Solutions Ltd., M-7, Laxmipuram, Transport Nagar, Gwalior-474006 (MP).	<b>Vs.</b>	DCIT/ACIT 1(1), Gwalior.
<b>PAN :AABCK0612L</b>		
<b>(Appellant)</b>		<b>(Respondent)</b>

Assessee by	Sh. Navin Gargh, Advocate
Department by	Sh. Shailendra Srivastava, Sr. DR

Date of hearing	16.10.2025
Date of pronouncement	26.11.2025

**ORDER**

**PER : SUNIL KUMAR SINGH, JUDICIAL MEMBER:**

This appeal was preferred by assessee against the impugned order dated 17.08.2022 passed in Appeal No. CIT (A), Gwalior/10212/2019-20 by the Ld. Commissioner of Income-tax (Appeals), NFAC, Delhi u/s. 250 of the Income-tax Act, 1961 (hereinafter referred to as "the Act") for the assessment year 2018-19, wherein the Id. CIT(Appeals) has dismissed assessee's appeal against the assessment order dt. 16.10.2019. Assessee's second appeal was also dismissed by this Tribunal vide common order dated 23.02.2024. However, this Tribunal, vide order dated

27.08.2025, passed u/s 254(2) of the Act on assessee's miscellaneous application, partially recalled its earlier order dated 23.02.2024 to the extent of hearing as to whether the deposits of employee's contribution towards ESI and PF of Rs.4,34,232/- (Rs.1,51,733 + 2,82,499) made on the next dates of due dates, which fell on national holiday/Sunday, be considered as valid deposit.

2. Briefly stating, the present second appeal, along with ITA No. 168/Agr/2022, had earlier been dismissed by the Tribunal, vide common order dated 23.02.2024. The dismissal was based on the ground that the disallowance of employees' contribution towards Provident Fund (PF) and Employees State Insurance Corporation (ESIC) was covered by the judgment of the Hon'ble Supreme Court in Checkmate Services (P) Ltd. vs. CIT (2022) 143 taxmann.com 178 (SC). Subsequently, the assessee filed an application under section 254(2) of the Income Tax Act, 1961, seeking recall of the said order dated 23.02.2024, contending that his submissions with regard to the due dates for deposit of employees' contribution to PF and ESI amounting to Rs.4,34,232/-, comprising Rs.1,51,733/- and Rs. 2,82,499/-, had fallen on a gazetted holiday and a Sunday respectively, and that the deposits were accordingly made on the immediately succeeding working day, had not been considered by the Tribunal, while passing the

earlier order. This Bench of the Tribunal, vide order dated 27.08.2025, partially recalled its earlier order dated 23.02.2024 to a limited and specific issue for adjudicating as to whether the aforesaid employees' contribution to PF/ESI, deposited by the assessee on the next working day, when the statutory due date fell on a Sunday or gazetted holiday, could be treated as having been made within the prescribed time. The appeal has, thus, been taken up for hearing to this limited extent only.

3. Perused the records and heard learned representative for assessee and learned Sr. DR for revenue.

4. Perusal of common order dated 23.02.2024 passed in ITA No. 167 & 168/Agr/2022 for A.Y. 2018-19 and 2020-21, shows that an amount of Rs.10,42,925/- was added in assessee's income, vide order dated 16.10.2019 assessed u/s. 143(1) of the Act as late deposit of PF/ESI with respect to employees' contribution, which was confirmed by Ld. CIT(Appeals). The Tribunal also confirmed the aforesaid addition in view of law laid down by Hon'ble Supreme Court in Checkmate Services(P) Ltd. v. CIT (2022) 143 taxmann.com 178(SC). However, according to Ld. AR, the due dates prescribed under the relevant Acts for payment of the aforesaid amounts towards employees' contribution to PF/ESI fell on a gazetted holiday or a Sunday. This submission of assessee contained in assessee's

paper book does not find a mention in the earlier order passed by this Tribunal, which led this Tribunal to hear this limited issue.

5. The relevant section 10 of the General Clauses Act, 1897 read as under :

“10. Computation of time.-(1) Where, by any [Central Act] or Regulation made after the commencement of this Act, any act or proceeding is directed or allowed to be done or taken in any Court or office on a certain day or within a prescribed period, then, if the Court or office is closed on that day or the last day of the prescribed period, the act or proceeding shall be considered as done or taken in due time if it is done or taken on the next day afterwards on which the Court or office is open:

Provided that nothing in this section shall apply to any act or proceeding to which the Indian Limitation Act, 1877 (15 of 1877), applies.

(2) .....

So, according to section 10 of General Clauses Act, 1897, if a due date falls on a holiday, the payment is considered to be made in time, if it is made on the next working day. Accordingly, the payments made by the assessee on the next working day, immediately succeeding any holiday, are to be considered as having been made within due date. This view further finds support from judicial precedents in Aero Club vs. ACIT (2023) 156 taxmann.com 74 (Delhi High Court), wherein it has been held that where last date to deposit amounts payable towards PF and ESI, fell due on a national holiday, the deposit, made on following date was amenable to deduction. However, such deposit of Rs.4,34,232/- out of total of

Rs.10,42,925/- claimed by assessee originally in the grounds of ITA No. 167/Agr/2022, require verification at the end of Assessing Officer. Assessing Officer, is thus, directed to verify the amount of Rs.4,34,232/-. If it is found to have been deposited by the assessee on next day to holiday/gazette holiday, the Assessing Officer shall give credit to the assessee. The matter is restored back to the file of Assessing Officer, who will pass order afresh after considering assessee's submissions in terms of what has been observed hereinbefore. Needless to say that Ld. Assessing Officer shall ensure the compliance of natural justice. Appeal is, thus, liable to be partly allowed for statistical purposes.

6. In the result, assessee's appeal is partly allowed for statistical purposes. The impugned order dated 17.08.2022 is set aside.

***Order pronounced in the open court on 26.11.2025.***

***Sd/-***

**(S. RIFAUH RAHMAN)  
ACCOUNTANT MEMBER**

***Sd/-***

**(SUNIL KUMAR SINGH)  
JUDICIAL MEMBER**

Dated: 26.11.2025

\*aks/-

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asst. Registrar, ITAT, Agra