

आयकर अपीलीय अधिकरण, 'ए' न्यायपीठ, चेन्नई
IN THE INCOME-TAX APPELLATE TRIBUNAL 'A' BENCH, CHENNAI
श्री एस.एस. विश्वनेत्र रवि, न्यायिक सदस्य एवं श्री एस.आर. रगुनाथा, लेखा सदस्य के समक्ष
Before Shri S.S. Viswanethra Ravi, Judicial Member &
Shri S.R. Raghunatha, Accountant Member

आयकर अपील सं./I.T.A. No.2277/Chny/2025
निर्धारण वर्ष/Assessment Year: 2018-19

Cholan Tours Pvt. Ltd.,
No. 4, Annai Avenue, Vasantha Nagar
Extension, Kollidakarai, Srirangam,
Trichy 620 006.

[PAN: AA ECC2485L]

Vs. The Income Tax Officer,
Ward 1(1),
Trichy.

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से / Appellant by : Shri A.S. Ramakrishnan, C.A. (Virtual)
प्रत्यर्थी की ओर से/Respondent by : Ms. C. Vatchala, CIT
सुनवाई की तारीख/ Date of hearing : 04.02.2026
घोषणा की तारीख /Date of Pronouncement : 13.03.2026

आदेश /O R D E R

PER S.S. VISWANETHRA RAVI, JUDICIAL MEMBER:

This appeal filed by the assessee is directed against the order dated 30.07.2025 passed by the Id. Commissioner of Income Tax (Appeals), National Faceless Appeal Centre [NFAC], Delhi for the assessment year 2018-19.

2. Ground No. 1(1, a, b & c) raised by the assessee in challenging the action of the Id. CIT(A) in confirming the disallowance made under section 36(10(va) of the Income Tax Act, 1961 ["Act" in short] with reference to the employees' contribution to Provident Fund.

3. We find the Assessing Officer discussed and reproduced the payments details in page 2 of the assessment order. On perusal of the same, it is noted that the assessee paid employees' contribution on 16.05.2017 and the due date being 15.05.2017. The Id. AR Shri A.S. Ramakrishnan, C.A. argued that due to technical glitches, the assessee made such payments immediately after the due date. Further, another payment made on 17.07.2017 and the due date being 15.07.2017, it was argued that 15.07.2017 being Saturday, the assessee made payment on 17.07.2017 being Monday. Further, thirdly, the assessee made payment on 16.10.2017 and the due date being 15.10.2017 and it was argued that the assessee made payment immediately on 16.10.2017 being the due date 15.10.2017 was Sunday. The Id. AR referred to para 2 of the written submissions and argued to take liberal view in this regard.

4. The Id. DR Ms.C. Vatchala, CIT relied on the order of the Id. CIT(A).

5. Heard both the parties and perused the material available on record. We find for the first remittance to an extent of ₹.3,55,380/-, the due date for remittance is 15.05.2017, whereas, the assessee deposited the same on 16.05.2017 and the Id. AR contended that due to technical glitches in the PF portal, despite the assessee having sufficient bank balance, the assessee could not make payment on the due date, but,

made immediately on the next immediate day i.e., 16.05.2017. We find that such contention of technical glitches is not taken before the Id. CIT(A) or the Assessing Officer, but, taken first time before the ITAT. Admittedly, there was no evidence to that effect. Therefore, we find no infirmity in confirming the order of the Id. CIT(A) in holding that the assessee failed to remit the employees' contribution to PF on the due date of 15.05.2017.

6. With regard to the 2nd remittance to an extent of ₹.3,55,280/-, the due date being 15.07.2017 (Saturday), the assessee made payment on 17.07.2017, which is Monday. The Id. AR advanced same argument that there were technical glitches in this regard also, but, however, we find no evidence to that effect. Therefore, we find no infirmity in the order of the Id. CIT(A) in holding that the assessee failed to remit the employees' contribution to PF on the due date of 15.07.2017.

7. With regard to the 3rd remittance of ₹.3,45,240/-, admittedly, the due date is on 15.10.2017 being Sunday, the assessee made payment on 16.10.2017 i.e., on Monday. In this regard, we find force in the arguments of the Id. AR that by operation of section 10 of the General Clauses Act, 1897, when the prescribed due date falls on a day when the office is closed, performance on next working day is sufficient compliance. Therefore, the order of the Id. CIT(A) on this issue is not justified in

confirming the disallowance made by the Assessing Officer in this regard. Accordingly, ground No. 1, a, b, c, 2 & 3 are allowed in part.

8. Ground No. 2 (4 a, b, c, 5 & 6) raised by the assessee in challenging the action of the Id. CIT(A) in confirming the disallowance made under section 40(a)(ia) of the Act.

9. We find that the Assessing Officer made disallowance under section 40(a)(ia) of the Act for violation of non-deposit of TDS to the Government account before filing of return of income. Further, the Assessing Officer held no relevant documents/challan was furnished by the assessee and therefore, 30% of the expenditure was added to the total income of the assessee. The Id. CIT(A) confirmed the order of the Assessing Officer for having no evidence with regard to clause 34(a) of the tax audit report.

10. The Id. AR referred to page 416 of the paper book and argued that every details in respect of TDS collection was available and submits with reference to the page 29 of the paper book, the assessee deducted TDS and made deposits into Government account. Further, he drew our attention to page 62 of the paper book and argued that the assessee deducted TDS of ₹.66,000/- for April, 2017 and deposited the same into

Government account on 08.05.2017. Further he drew our attention to other payments from page 64 to 74 of the paper book showing deposits of TDS into Government account for entire financial year. Further, he submits that there is a mistake in financials in mentioning not deposited in Col. No. 34a of Form 3CD. The Id. AR prayed to remand the matter to the file of the Assessing Officer for examination of all the details as placed in the form of paper book.

11. The Id. DR reported no objection.

12. We note that in Form 3CD, which starts from page 21 of the paper book, particularly at page 29, we find in Col. 34a, wherein, in last column, it was mentioned not deposited to the credit of the Central Government, but, however, challan placed thereon from page 63 of the paper book with regard to TDS details at page 62 for 24Q clearly shows the deposits were made into Government account. However, both the authorities below, the Assessing Officer as well as the Id. CIT(A) clearly mentioned that the assessee has not furnished the audited financial statements or tax audit report vide para 9 of the assessment order and ground No. 4 at page 6 of the impugned order. Therefore, we are of the considered opinion that the matter requires fresh adjudication by the Assessing Officer with regard to the evidences placed on record before this Tribunal. Thus, we remand the

matter to the file of the Jurisdictional Assessing Officer for fresh consideration with regard to the evidences placed before the Tribunal from pages 21 to 32, 62 to 74 and pages 416 to 418 of the paper book and pass order in accordance with law. Thus, ground No. 2(4a, b, c 5 & 6) are allowed for statistical purposes.

13. In the result, the appeal filed by the assessee is partly allowed for statistical purposes.

Order pronounced on 13th March, 2026 at Chennai.

Sd/-
(S.R. RAGHUNATHA)
ACCOUNTANT MEMBER

Sd/-
(S.S. VISWANETHRA RAVI)
JUDICIAL MEMBER

Chennai, Dated, 13.03.2026

Vm/-

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant,
2. प्रत्यर्थी/ Respondent,
3. आयकर आयुक्त/CIT, Chennai/Madurai/Coimbatore/Salem
4. विभागीय प्रतिनिधि/DR &
5. गार्ड फाईल/GF.