



The Institute of Chartered Accountants of India
(Set up by an Act of Parliament)

Visakhapatnam Branch (SIRC)

FEBRUARY - 2025

e-Newsletter

Chairman
CA. ANIRBAN PAL

Secretary
CA. LOKESH P

Editor
CA. G. VASUDEVAMURTY



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Chairman Writes ...



Dear Members,

As I pen down my final message as the Chairman of our esteemed branch, I am filled with gratitude and pride for all that we have accomplished together over the past one year. It has been a period of dynamic growth, learning, and collaboration, and I am deeply honoured to have had the opportunity to serve our branch through these endeavours.

I would like to place on record my gratitude and deepest appreciation to the President CA Ranjit Kumar Agarwal, the Members and Office Bearers of the Central Council, SIRC Chairperson CA A B Geetha and the Members and Office Bearers of the Southern Regional Council for their guidance and support in execution of our responsibilities and conduct of programs.

Over the past one year, we have successfully organized more than 200 hours of Continuing Professional Education (CPE) conferences, seminars, workshops, and certificate courses designed to enhance the technical knowledge and professional competencies of our members. Significantly the events like the Sub-Regional Conference, Residential Refresher Course and AI Certification Courses helped the members in enhancing capabilities and staying abreast of the latest developments.

These programs encompassed a wide spectrum of topics, including direct and indirect taxation, financial reporting standards, corporate law compliances, auditing techniques, Code of Ethics, digital transformation in finance, international taxation, FEMA, skill enhancement and emerging trends in sustainability and corporate governance.



These sessions were turned into occasions of knowledge enrichment by the presence and deliberations of experts from the respective fields. I thank the speakers of the CPE & Other seminars for having accepted our invitations and sparing their precious time to share their wisdom and help expand our horizon.

As a part of the initiative to encourage more speakers to share their expertise we had introduced 12 new speakers during the past one year to the noble deed of knowledge sharing. The dedication and expertise of our young speakers and resource persons have made the programs more vibrant and enthralling. I extend my heartfelt thanks to all who contributed their time and knowledge, including CA. Mayuri Tatiya, CA. K Swetha, CA. Hemalatha K, CA. Ujwala M L D, CA. Sridhar Andhavarapu, CA. G Avinash, CA. Dadi Avinaash, CA. T Venkateswarlu, CA. A V S R Kushwanth, CA. D Leela Vara Prasad, CA. D Saranya and CA. P V S P Kumar who deliberated in these sessions.

Our branch newsletter has also seen remarkable

contributions from several authors who have enriched its content with insightful articles and thought-provoking perspectives. I would like to express my sincere appreciation to CA. Rithik Agrawal, CA. K Hemalatha, CA. Raghuram V, CA. A.V.S.R. Kushwanth, CA. Mayuri Tatiya, CA. S. Smruthi Sree, CA. I Sushmitha, CA. P Midhun Kumar, CA. N Praveen Kumar and CA G Avinash for their valuable writings. Their contributions have greatly enhanced the quality and relevance of our publication.

I would also like to place on record my sincere thanks to the several institutions, dignitaries, sponsors and their office bearers with whom we had collaborated this year to conduct various knowledge sharing sessions and social activities. I thank Sri Shankabrata Bagchi IPS, Commissioner of Police, Sri B Srinivas IRS, Principal Commissioner, Income Tax, Circle I, Sri MRR Reddy, Principal ADG, DGGI, Visakhapatnam, Sri C.V.N. Bhaskara Rao General Manager, Zonal Head, Union Bank of India, Sri Chandra Mouli Jangam, Asst. Director, MSME DFO, Smt. M Lakshmi M.D., Patra, BPO, Dr. Usha Pantula, Sri Satish Kumar Arya, MD & CEO, Steel City Securities Ltd, Sri Madhukar R BSE, Sri CH S Nageswara Rao HDFC Mutual Fund, Sri B Gowri Sankar, ICICI Pru. Life Insurance and Dr K Y Ramchandra Rao. I also thank the Visakha Tax Bar Association and Vizagapatam Chamber of Commerce & Industry for their kind association in conducting joint sessions.

It was not all study and knowledge sessions that transpired this year, the branch had also conducted other significant programs, celebrated important occasions and hosted events like Carrier Counselling, CA Day, Yoga Day, Women's Day, MSME Day, Updating Voter ID, Blood Donations, Food & Books Distributions, Plantation, Health Awareness and Sports & Cultural activities. I thank the all the

members and specially the Women Members & volunteers for their enthusiastic participation and contribution to these programs. A special thanks goes to CA A V S Lalitha Sundari, CA G Bharti Devi, CA K Jayashree, CA G Lakshmikanatha, CA Ritu Agarwal, CA K Hemalatha, CA Susan Sajan, CA Y Pavani, CA Krishna Manojna, CA K. Sashikala and CA Ujwala M L D.

The "We Care" program of ICAI was conducted to felicitate CA Garuda Ramji Garu & CA V S Prakasa Rao Garu, honouring their significant contributions to the profession and the community.

In fulfilling our responsibilities towards the members of our Fraternity in distress, we had this year achieved the mammoth task of contributing a sum of Rs. 89.25 Lakhs to the CABF Fund of ICAI till date. This achievement was possible with the gracious contributions of CA Vemireddy Anusha, CA Ch. Sivani, CA Sangu Rama Krishna, CA C.V. Ramana Rao, M/s Srirama Murty & Co., CA Akula Chandra Sekhar, CA Appikatla Sisir Kumar, CA P. Rama Krishna Rao, CA M. Niranjana Rao, M/s Rao & Kumar, M/s B.V. Rao & Co. LLP, CA C. Subrahmanyam, M/s Satyanarayana & Sushil, M/s Balaji Associates, CA Mandava Srikanth, CA Y. Suryachandra Rao, CA G.H.V.N. Murty, CA J. Sudhakar Reddy, CA Bharghav Kavi, CA M.K. Kumar, M/s Rao & Shyam, CA G. Vasudeva Murty and CA B C Agarwal. I wholeheartedly thank the co-ordinator CA G. Vasudeva Murty and the mentor CA D Prasanna Kumar Garu for their efforts in making this possible.

This year is especially significant for our branch as we mark a historic milestone: the first elections for the incoming committee in two decades. I extend my warmest congratulations to the newly elected committee members and wish them all the best as they take on the responsibility of steering our

branch toward continued success. I have full confidence that under their leadership, our branch will reach new heights. I thank the Administrative Staff of SIRC, CA A V Chalam and CA D Teja Sagar for their support in smooth conduct of the elections.

I take this opportunity to thank the Past Chairmen and Senior members of this Branch including those from Anakapalle, Vizianagaram, Palasa & Srikakulam for their guidance and support to the committee at all times. A special thanks goes to CA P V S P Kumar, CA NNS Prakash, CA B Venkata Rao, CA K Ramachandra Rao, CA A Chandra Sekhar, CA A Sisir Kumar, CA M Niranjan Rao, CA G Prasad Rao, CA Poosarla Ramakrishna, CA Gorti Subba Rao, CA C M Ravi Prasad, CA G Avinash, CA N Ramunaidu, CA. I Jaya Krishna, CA. B Sai Ganesh, CA. Ramu, CA. G Raghu Vamsi, CA. D Satya Gopala Krishna, CA. Rithik Agarwal, CA. V Ravi Kumar, CA KCS Guru Prasad, CA D Teja Sagar, CA P Ramkrishna, CA N Maruthi, CA Teja SSR, CA Abdul Kudrus A, CA P Kishore, CA B Vinay Gandhi, CA T Narasimha Murty, CA P V Satish, CA Vaddi Rama Rao, CA A Surendranath and others who volunteered in organising the Branch Events, their enthusiastic participation and contribution to these programs.

I place on record my deepest appreciation for the guidance and co-operation extended in ensuring proper compliance by the Statutory Auditors, Internal Auditors and Consultants M/s B V Rao & Co LLP, CA B. Vinay Kumar, M/s Neelakantheswar Rao & Co, CA V. Neelakantheswar Rao, M/s SMARK & Associates, CA I Jaya Krishna, CA Vinay Gandhi & CA Ch Sivani.

I sincerely thank CA D Prasanna Kumar Garu, CCM and Ex-officio Member; I am deeply grateful for his unwavering support and invaluable guidance throughout my tenure in the committee. His mentorship has been instrumental in the growth

and success of the Branch and its members. I also remain indebted to the members of my Managing Committee, Vice-Chairman CA A Sridhar, Secretary & SICASA Chairman CA P Lokesh, Treasurer CA P Swaroop, Editor CA G Vasudeva Murty and Member & GST Nodal Officer CA Prasanth Kumar Panda for their everlasting support and encouragement. I thank the administrative staff of the Branch Sri Amarnath, Sri Raj Kumar, Smt. Madhuri and the Sub-staff for their tireless efforts throughout the year in ensuring smooth conduct of the activities of the Branch.

I would also like to take a moment to thank each one of you—our members—for your unwavering support, active participation, and commitment to the profession. I also thank the members from Vizianagaram, Srikakulam, Palasa and Anakapalle for their enthusiastic support and participations. It is your enthusiasm and engagement that have made all our initiatives successful.

As I conclude my tenure, I carry with me a wealth of experiences and cherished memories. I look forward to continuing to serve our profession in new avenues and contribute to the future branch activities to seeing our branch thrive in the years to come.

Thank you once again for the privilege of serving as your Chairman.

Warm regards,

CA Anirban Pal

Chairman, Visakhapatnam Branch
The Institute of Chartered Accountants of India (ICAI)

Compliance Calendar

For the month of February 2025

CA. Rithik Agrawal



SL. No.	Particulars	Compliance	Due date
1	Income Tax Act, 1961	Monthly TDS and TCS payment	7 th February 2025
		Issue of TDS certificate	15 th February 2025
2	Goods and Service Tax Act, 2017	GSTR-1 (normal tax payer)	11 th February 2025
		GSTR-3B (normal tax payer)	20 th February 2025
		Form IFF (QRMP scheme)	13 th February 2025
		GSTR-3B (QRMP scheme)	22 nd or 24 th February as the case may be
		GSTR-6 (Input service distributor)	13 th February 2025
		GSTR-7 (Taxpayer required to deduct TDS)	10 th February 2025
		GSTR-8 (E-commerce operator)	10 th February 2025
4	EPF, ESI and professional Tax	Contribution to employee's account in respect of Employee states insurance (ESI) & Employee Provident fund (EPF) contribution and filing of monthly Challan	15 th February 2025
		Professional Tax compliances for state of Andhra Pradesh Monthly Payment of Professional Tax and filing of return	10 th February 2025
5	FEMA Act	ECB return	7 th February 2025
6	Companies Act	MGT-7/7A for AGM held on 31.12.2024	28 th February 2025

ANNOUNCEMENTS

5th January, 2025

ANNOUNCEMENT

**OFFICE OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
9, DEEN DAYAL UPADHYAYA MARG, NEW DELHI – 110 002**

Empanelment of Chartered Accountant firms/LLPs for the year 2025-2026

Online Applications are invited from Chartered Accountant firms/LLPs who desire to be empanelled with the office of the Comptroller and Auditor General of India for the year 2025-2026 for considering for appointment as auditors of Companies as per Sections 139(5) and 139(7) of the Companies Act 2013 and of Statutory Corporations/Autonomous Bodies as per the provisions of their respective Acts. Online application form along with detailed instructions in this regard will be available on the website <https://care.cag.gov.in/Authorised/Default.aspx> from **07 January 2025 to 17 February 2025**. The applicant firms/LLPs will have to fill/update the data showing the status of their firm as on 01 January 2025. After filling/updating the data, the firms/LLPs will be required to generate online acknowledgement letter for the year. If the firms/LLPs fail to generate online acknowledgment letter, their application would not be considered for empanelment. The firms/LLPs will be required to submit a print out of the acknowledgement letter generated online and also hard copies of the documents in support of their online application to this office by 28 February 2025.

Sd/-

Sr. Administrative Officer/CA-V

Hosted by : Professional Development Committee of ICAI

**Professional Development Committee
The Institute of Chartered Accountants of India
30th January, 2025**

Announcement

Draft Bank Branch Auditors' Panel (MEF) for the year 2024-25

We are pleased to inform that the Draft Bank Branch Auditors' Panel (MEF) of Chartered Accountants/firms for the year 2024-25 prepared as per the RBI Norms dated 6th March, 2023 has been hosted at www.meficai.org

The following details can be viewed by the applicants by giving MEF No./FRN or MRN (in case of individual):

MEF No.

FRN No.

Name of the Applicant

Unique Code Number

Category

District

Reason for ineligibility, if any

The applicants would also be able to view the reasoning for change in their category, wherever applicable, in the Draft Panel itself. However, in case of any observations/complaints the applicants may raise the query with details at <https://app.meficai.org/complaints> call on the following numbers:

Ms. Priya Duggal/Ms. Garima Khurana - 92055 59866

Mr. Manish Bhardwaj - 92055 59865

The Draft Panel will be available up to **Wednesday, 5th February, 2025**. After suitable addressal of the queries, the final panel will be sent to RBI for their consideration.

With kind regards,

Professional Development Committee



The Institute of Chartered Accountants of India (Set up by an Act of Parliament)

Peer Review Board

The Institute of Chartered Accountants of India

22nd January, 2025

ANNOUNCEMENT

Deferment of Phase III and IV of Peer Review Mandate

The Council has decided to extend Phase III and Phase IV of Peer Review Mandate by 6 months and 9 months respectively. Accordingly, their revised dates of implementation are as under:-

Phase	Category of Practice Units covered for Mandatory Peer Review	Date from which Peer Review is Mandatory
III	<p>Practice Units which propose to undertake the Statutory Audit of entities which have raised funds from public or banks or financial institutions of over Fifty Crores rupees during the period under review or of any body corporate including trusts which are covered under public interest entities: For these Practice Units, there is a pre-requisite of having Peer Review Certificate.</p> <p>OR</p> <p>Practice Units rendering attestation services and having 4 or more partners: For these Practice Units, there is a pre-requisite of having Peer Review Certificate before accepting any Statutory audit.</p>	01.07.2025
IV	<p>Practice Units which propose to undertake audits of branches of Public Sector banks: For these Practice Units, there is a pre-requisite of having Peer Review Certificate.</p> <p>OR</p> <p>Practice Units rendering attestation services and having 3 or more partners: For these Practice Units, there is a pre-requisite of having Peer Review Certificate before accepting any Statutory audit.</p>	01.01.2026

KEY UNDERSTANDINGS OF BUDGET 2025

CA. Avinash Gudivada

A country is not just its soil, a country is its people a word from Finance minister and this budget stands for that sentence by giving priority to people, balanced between economic growth and reduction of burden on tax payers

Tax rates: proposed tax rates applicable for F.Y 25-26

Personal Income Tax reforms with special focus on the middle class



Surcharge is applicable if income exceeds 50 lakhs and surcharge @10% from 50 lakhs to 1 crore, @ 15% from 1 crore to 2 crores and 25% for more than 2 crores.

Comparative proposed slab rates

Income	Tax on Slabs and rates		Benefit of	Rebate benefit	Total Benefit	Tax after rebate Benefit
	Present	Proposed				
			Rate /Slab	Full upto Rs 12 lacs		
8 lac	30,000	20,000	10,000	20,000	30,000	0
9 lac	40,000	30,000	10,000	30,000	40,000	0
10 lac	50,000	40,000	10,000	40,000	50,000	0
11 lac	65,000	50,000	15,000	50,000	65,000	0
12 lac	80,000	60,000	20,000	60,000	80,000	0
16 lac	1,70,000	1,20,000	50,000	0	50,000	1,20,000
20 lac	2,90,000	2,00,000	90,000	0	90,000	2,00,000
24 lac	4,10,000	3,00,000	1,10,000	0	1,10,000	3,00,000
50 lac	11,90,000	10,80,000	1,10,000	0	1,10,000	10,80,000

Reducing burden on small trusts

It is proposed to increase the period of validity of registration of trust or institution from 5 years to 10 years, the total income of such trust or institution does not exceed Rs. 5 crores during each of the two previous year.

Major changes in TDS

194A - Interest other than Interest on securities thresh hold limit raised to Rs. 1,00,000/- for senior citizen

194H – tds@2% applicable on Commission or brokerage paid, thresh hold limit raised to 20,000 Rs from 15,000 Rs

194-I Previously TDS on Rent applicable if rent paid is Rs. 2,40,000/- or more per annum, thresh hold limit was raised for 25 - 26 to Rs. 50,000/- per month or part of a month

194J - Fee for professional or technical services TDS @ 10% thresh hold limit raised from Rs. 30,000/- to Rs. 50,000/-

Removal of sec 206C:

It is proposed that provisions of sub-section (1H) of section 206C of the Act will not be applicable from the 1st day of April, 2025 when TDS under 194Q is applicable. Sub-section (1H) of section **206C mandates tax collection at source (TCS) by a seller** while **Section 194Q provides for tax deduction at source (TDS) by a buyer on the same transaction**

Removal of higher TDS/TCS for non-filers of return of income 206ab removed from 1st April 2025

Annual value of the self-occupied property simplified- sec 23

Previous: owner cannot actually occupy it due to his employment, business or profession carried on at any other place, in such cases, the annual value of such house property shall be taken to be nil.

Now: annual value of the property consisting of a house or any part thereof shall be taken as nil, if the owner occupies it for his own residence or cannot actually occupy it due to any reason.

Extending the time-limit to file the updated return

A non-filer taxpayer can file updated ITR at any Time for the previous year within 48 months from the end of relevant assessment year. **The additional income-tax liability for on additional income disclosed in the updated ITR in different years is as below:**

(i) 1st Year (within 12 months from the end of relevant assessment year), it will be 25 % of the aggregate of tax and interest payable.

(ii) 2nd Year (after expiry of 12 months from the end of relevant assessment year within 24 months from the end of relevant assessment year), it will be 50 % of the aggregate of tax and interest payable.

(iii) 3rd Year (after expiry of 24 months from the end of relevant assessment year within 36 months from the end of relevant assessment year), it will be 60 % of the aggregate of tax and interest payable.

(iv) 4th Year (after expiry of 36 months from the end of relevant assessment year within 48 months from the end of relevant assessment year), it will be 70 % of the aggregate of tax and interest payable.

A taxpayer cannot file updated return in certain cases, some of which are listed below: - · Where updated return is return of loss · Has the effect of decreasing the total tax liability determined on the basis of return furnished under section 139(1),139(4) or 139(5) of the Act. · Results in refund or increases the refund due on the basis of return furnished under section 139(1),139(4) or 139(5) of the Act. · If search has been initiated under section 132 of the Act etc. 1 st, 2nd and 3rd proviso of section 139(8A) of the Act provides restriction on filing updated return in detail.

Extended time-limit to file the updated return from existing 24 months to 48 months from the end of relevant assessment year

From end of A.Y.	Additional Income tax
Up to 12 months	25% on (tax + interest)
12-24 months	50% on (tax + interest)
24-36 months	60% on (tax + interest)
36-48 months	70% on (tax + interest)

Part A of BUDGET 25-26

ENHANCMENT OF MIDDLE CLASS RAISING

Micro enterprises registered on Udyam portal, in the first year, 10 lakh such cards will be issued.

Scheme for first time Entrepreneurs: For 5 lakh first-time entrepreneurs, including women, Scheduled Castes and Scheduled Tribes, a new scheme, to be launched, to provide term loans up to ¹ 2 crore during the next 5 years.

Focus Product Scheme for Footwear & Leather Sectors, to facilitate employment for 22 lakh persons, to generate turnover of ¹ 4 lakh crore and exports of over ¹ 1.1 lakh crore.

Measures for the Toy Sector Support for Food Processing

Significant enhancement of credit availability with guarantee cover for MSME: DOUBLED ALL CREDIT FACILITIES

Revision in classification criteria for MSMEs

The Finance Bill 2025 has introduced significant revisions to the classification criteria for Micro, Small, and Medium Enterprises (MSMEs). Here are the key changes:

1. Investment Limits:

- Micro Enterprises: Increased from 1 crore to 2.5 crore.
- Small Enterprises: Increased from 10 crore to 25 crore.
- Medium Enterprises: Increased from 50 crore to 125 crore.

2. Turnover Limits:

- Micro Enterprises: Increased from 5 crore to 10 crore.
- Small Enterprises: Increased from 50 crore to 100 crore.
- Medium Enterprises: Increased from 250 crore to 500 crore.

These changes aim to help MSMEs achieve higher efficiencies of scale, technological upgradation, and better access to capital. The revised criteria are expected to instill confidence among MSMEs, enabling them to expand further and create more employment opportunities.

Centre of Excellence in Artificial Intelligence for education with a total outlay of ¹ 500 crore.

Atal Tinkering Labs: 50 Thousand Labs to be set up in government schools in next 5 years

Broadband connectivity to be provided to all government secondary schools and primary health centres in rural areas.

Bharatiya Bhasha Pustak Scheme - The scheme aims to provide digital textbooks and learning materials in Indian languages for both school and higher education students.

Welfare of Online Platform Workers: Registration on the e-Shram portal & healthcare under PM Jan Arogya Yojana. – THIS WILL BENEFIT ONLINE TRAINING CENTERS

Top 50 tourist destination sites to be developed under Performance-linked incentives to states, developed in partnership with states

Rationalisation of requirements and procedures for speedy approval of company mergers.

OTHER KEY HIGHLIGHTS

- **Investment and Financial Sector Reforms**

- **BharatTradeNet:** A unified trade documentation and financing platform to simplify business transactions.
- **FDI in Insurance Sector:** Investment cap increased from **74% to 100%** to attract foreign capital.
- **Jan Vishwas Bill 2.0:** Decriminalization of **over 100 business-related provisions** to promote ease of doing business.

- **Trade and Export Promotion Measures**

- **Export Credit Expansion:** MSME exporters eligible for **₹ 20 crore term loans** to scale up global trade.
- **Extended Duty-Free Input List:** Nine additional handicraft items included for duty exemptions.
- **Crust Leather Export Duty Exemption:** 20% duty relief for small tanners and exporters.
- **Export Promotion Mission:** Joint initiative by Commerce, MSME, and Finance ministries to boost cross-border factoring and credit support.

- **Sustainability and Research Investments**

- **National Geospatial Mission:** Strengthening geospatial data collection for enhanced planning.
- **Gene Bank for Crops Germplasm:** Creation of a **10 lakh germplasm lines repository** for future food security.
- **Gyan Bharatam Mission:** Conservation of over **1 crore manuscripts** on Indian knowledge systems.
- **Private-Sector-Driven R&D:** Allocation of **₹ 20,000 crore** for research, development, and innovation in emerging industries.

Economic and Fiscal Implications

Budget 2025 aligns with India's long-term growth strategy, providing **tax relief, simplified compliance,** and **economic incentives** for businesses. While maintaining **fiscal discipline**, the budget promotes **digital transformation, employment generation, and global competitiveness.**

Conclusion

The Union Budget 2025 serves as a blueprint for economic stability, innovation, and ease of doing business. Chartered Accountants play a pivotal role in interpreting these reforms and guiding businesses to optimize benefits while ensuring compliance.



Circular No. 246/03/2025-GST

F. No. CBIC-20001/14/2024-GST
Government of India
Ministry of Finance
Department of Revenue
Central Board of Indirect Taxes and Customs
GST Policy Wing

North Block New Delhi,
Dated the 30th January, 2025

To,

All the Principal Chief Commissioners/ Chief Commissioners
All the Principal Directors General/ Directors General

Madam/Sir,

Subject: Clarification on applicability of late fee for delay in furnishing of FORM GSTR-9C- reg.

Representations have been received seeking clarification regarding levy of late fee payable for delay in furnishing of reconciliation statement in FORM GSTR-9C. It has been requested to clarify whether late fee under section 47 of Central Goods and Services Tax Act, 2017 (hereinafter referred to as the “CGST Act”) will be leviable where reconciliation statement in FORM GSTR-9C is not furnished by the registered person alongwith the annual return in FORM GSTR-9 but is filed subsequently beyond the due date of furnishing of annual return.

2. In order to ensure uniformity in the implementation of the provisions of law across the field formations, the Board, in exercise of its powers conferred by sub-section (1) of section 168 of the CGST Act, hereby clarifies the issues as below.

3. Prior to 01.08.2021, sub-section (2) of section 44 of CGST Act provided that a registered person who is required to get his accounts audited in accordance with the provisions of sub-section (5) of section 35 of the CGST Act **shall furnish the annual return under sub-section (1) of the said section along with a copy of the audited annual accounts and a reconciliation statement.** From 01.08.2021 onwards, with the omission of

the requirement of getting accounts audited in accordance with the provisions of sub-section (5) of section 35 of the CGST Act, sub-section (1) of section 44 of CGST Act provides for **furnishing of annual return which may include a self-certified reconciliation statement**, reconciling the value of supplies declared in the return furnished for the financial year, with the audited annual financial statement for every financial year electronically, within such time and in such form and in such manner as may be prescribed. Further, before 01.08.2021, sub-rule (3) of rule 80 of Central Goods and Services Tax Rules, 2017 (hereinafter referred to as the “CGST Rules”) provided that accounts shall be audited as per sub-section (5) of section 35 of the CGST Act in case the aggregate turnover of a registered person exceeded two crore rupees in a financial year and such taxpayer shall furnish a copy of audited annual accounts and a reconciliation statement, duly certified, in FORM GSTR-9C. From 01.08.2021 onwards, sub-rule (3) of rule 80 of CGST Rules provides that taxpayer with aggregate turnover during a financial year exceeding five crore rupees, shall furnish a self-certified reconciliation statement as specified under section 44 of the CGST Act in FORM GSTR-9C along with the annual return in FORM GSTR-9 on or before the thirty-first day of December following the end of such financial year.

3.1 Therefore, on a combined reading of section 44 of CGST Act with rule 80 of the CGST Rules, it can be concluded that both pre and post amendment, the provisions mandated that registered persons required to furnish an annual return in FORM GSTR-9 for a financial year shall also furnish along with it, a duly certified or self-certified reconciliation statement in FORM GSTR-9C, which reconciles the value of supplies declared in FORM GSTR-9 furnished for the said financial year with the audited annual financial statement. It is also mentioned that a reconciliation statement in FORM GSTR-9C is required to be filed only if the aggregate turnover of the said registered person during a financial year exceeds the specified threshold limit.

3.2 Sub-section (2) of section 47 of the CGST Act provides for a levy of a late fee for failure to furnish the return under section 44 of the CGST Act by its due date, which is to be computed at the specified rate, for each day for which such failure continues, subject to a maximum amount. As per the discussions above, in cases where reconciliation statement in FORM GSTR-9C is not required to be furnished, annual return under section 44 of CGST Act consists only of FORM GSTR-9 and in cases where a reconciliation statement in FORM GSTR-9C is required to be furnished, the annual return under section 44 of CGST Act

consists of the return in FORM GSTR-9 along with a reconciliation statement in FORM GSTR-9C. Therefore, in cases where the reconciliation statement in FORM GSTR-9C is required to be furnished along with the annual return in FORM GSTR-9, the furnishing of annual return under section 44 of the CGST Act, may not be said to be complete, unless both return in FORM GSTR-9 and reconciliation statement in FORM GSTR-9C are furnished. If only return in FORM GSTR-9 is furnished and reconciliation statement in FORM GSTR-9C is required but not furnished, annual return under section 44 of CGST Act cannot be said to have been furnished.

3.3 In view of the above, it is clarified that late fee under sub-section (2) of section 47 of the CGST Act, is leviable for the delay in furnishing of complete annual return under section 44 of the CGST Act, i.e. both FORM GSTR-9 and FORM GSTR-9C (where FORM GSTR-9C is also required to be furnished) and the late fee shall be payable for the period from the due date of furnishing of the said annual return upto the date of furnishing of the complete annual return i.e. FORM GSTR-9 and FORM GSTR-9C. It is also to be noted that late fee is not separately leviable for delayed furnishing of FORM GSTR-9 and delayed furnishing of FORM GSTR-9C, but has to be calculated for the period from the due date of furnishing of annual return under section 44 of the CGST Act till the date of furnishing of complete annual return i.e.:

- i. in cases where FORM GSTR-9C is not required to be furnished, the date of furnishing of FORM GSTR-9;
- ii. in cases where FORM GSTR-9C is required to be furnished along with FORM GSTR-9,
 - a. the date of furnishing of FORM GSTR-9, if FORM GSTR-9C is furnished alongwith FORM GSTR-9; or
 - b. the date of furnishing of FORM GSTR-9C, if FORM GSTR-9C is furnished subsequent to furnishing of FORM GSTR-9.

4. It is further mentioned that vide notification No. 08/2025-Central Tax dated 23.01.2025, the late fee in respect of delayed filing of complete annual return for any financial year upto FY 2022-23 has been waived, which is in excess of the late fee payable under sub-section (2) of section 47 of CGST Act upto the date of furnishing of return in

FORM GSTR-9 for the said financial year, if the reconciliation statement in FORM GSTR-9C is furnished on or before 31st March 2025. Accordingly, in cases where reconciliation statement in FORM GSTR-9C was required to be furnished along with the return in FORM GSTR-9, but was not furnished so for any financial years upto FY 2022-23, and has been furnished subsequently on or before 31st March, 2025, then no additional late fee shall be payable for delayed furnishing of FORM GSTR-9C which is in excess of the late fee payable under section 47 upto the date of furnishing FORM GSTR-9 for the said financial year. Further, no refund shall be admissible in respect of any amount of late fee already paid in respect of delayed furnishing of FORM GSTR-9C for the said financial years.

5. It is requested that suitable trade notices may be issued to publicize the contents of this Circular.

6. Difficulty, if any, in the implementation of this Circular may be brought to the notice of the Board.

Yours faithfully,

Gaurav Singh
Commissioner (GST)

Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Foreign Trade
Vanijya Bhawan, New Delhi

Trade Notice No. 27/2024-25
New Delhi, Dated: 24 January, 2025

To,

Members of Trade and Industry
EPCs/ FIEO

Subject: Introduction of online module for filing Annual RoDTEP Return (ARR) - reg

Members of Trade and Industry may note that consequent to publication of Public Notice No. 27/ 2024-25, regarding Filing of Annual RoDTEP Return, a Module for the same has been introduced on the DGFT Website. It can be accessed on the DGFT Portal- www.dgft.gov.in under the link 'Regulations>RoDTEP'.

2. A user guideline, with FAQs (dynamically updated), is also being uploaded for the benefit of the exporters under the same link.


(KV Tirumala)
Joint Director General of Foreign Trade

(Issued from File No. 01/61/180/166/AM24/PC-3/)

Caselaw Digest – January 2025

Limitation period for sec. 263 revision to be reckoned from date of original assessment order; SLP dismissed

Supreme Court of India in the case of PCIT V. Chambal Fertilisers and Chemicals Ltd reported in [2025] 170 taxmann.com 544 (SC)

SLP dismissed against order of High Court that for purposes of exercising powers under section 263, period of limitation for passing order has to be reckoned from date of original assessment order and not from date of reassessment order

No additions u/s 69A relying upon statement of husband recorded during survey: ITAT

Jaipur ITAT in the case of ACIT V. Nisha Jain reported in [2025] 170 taxmann.com 550 (Jaipur - Trib.)

Where during survey, Assessing Officer found that assessee had deposited certain amount in her bank account and made addition under section 69A on basis of statement of assessee's husband recorded under section 133A, since assessee had been maintaining regular books of account which consisted of cash books which were subjected to tax audit and Assessing Officer had clearly certified that all entries in cash book were duly supported with bills and vouchers, addition made by Assessing Officer was not justified

HC set aside reassessment notice issued solely based on info received from CGST Dept. regarding bogus ITC

Bombay High Court in the case of C. C. Dangi & Associates reported in [2025] 170 taxmann.com 541 (Bombay):

Where Assessing Officer issued reopening notice on basis of information received from CGST authorities that assessee was beneficiary of bogus input tax credit (ITC) received from an entity engaged in providing fake/bogus invoices for passing of fraudulent ITC without supply of goods, since Assessing Officer had not verified nature of assessee's professional activities with said entity,

and further, amounts were received by assessee from said entity only qua invoices issued by assessee to said entity and no other amounts were received, impugned reopening notice was to be set aside

Society established to raise funds for start-ups from venture capitalists eligible for sec. 12AA registration

Chhattisgarh High Court in the case of AIC@36Ince. reported in [2025] 170 taxmann.com 496 (Chhattisgarh)

Where main activities of assessee-society were to implement State Policy, to establish technology business incubators in State and to raise funds for start-ups from venture capitalists, financial institutions and angel investors, activities of assessee-society were for charitable purpose for public at large and finding recorded by Commissioner that activities of assessee Society were in nature of trade, commerce or business and covered by proviso to section 2(15) was not correct finding, thus, Tribunal was justified in directing Commissioner to grant registration under section 12AA

Employer contributions to fund for employee leave encashment are allowable expenses subject to Section 43B: HC

High Court of Himachal Pradesh in the case of H.P. State Civil Supplies Corporation Ltd. reported in [2025] 170 taxmann.com 500 (Himachal Pradesh)

Contribution made by assessee towards fund for payment of leave encashment to its employees qualifies to be deductible as expenses, subject, however, to conditions imposed under section 43B

CIT(A) not justified in applying 10% net profit rate when Co. declared NP at 2.5% in subsequent years: ITAT

ITAT Raipur Bench in the case of Mohan Sukumaran reported in [2025] 170 taxmann.com 503 (Raipur)

-Trib.)

Where assessee accepted rejection of books of account and net profit rate declared by assessee in previous two assessment years of 1.42 per cent and 1.37 per cent and in subsequent two assessment years of 1.66 per cent and 1.90 per cent was accepted by Assessing Officer, Commissioner (Appeals) was not justified in taking 10 per cent net profit rate for making addition to assessee's income in relevant year and NP rate of 2.5 per cent of turnover would be just and proper.

Assessee eligible for sec. 54F exemption despite sale deed execution after 2 years from MoU date: ITAT

ITAT Pune Bench in the case of Kruti Lalitkumar Jain reported in [2025] 170 taxmann.com 465 (Pune - Trib.)

Where assessee sold developmental rights and lease rights and invested sale proceeds in purchase of residential house and claimed deduction under section 54F, since an amount of Rs. 10.60 crores had been transferred from account of assessee to KHC on date of MoU which found mention in sale deed executed subsequently, assessee could not be denied benefit of deduction under section 54F

AO can't reject percentage completion method of accounting regularly followed by assessee: ITAT

ITAT Ahmedabad Bench in the case of Sainath Land Developers reported in [2025] 170 taxmann.com 431 (Ahmedabad - Trib.):

Where Assessing Officer rejected percentage completion method of accounting which was regularly followed by assessee and made addition on account of undisclosed sales with respect to difference in sales as per WIP stock account and as per profit and loss account, since profit out of sales were already substantially accounted for by assessee in earlier years and addition made in current year on basis of actual sales had led to double addition, Assessing Officer was not correct

in rejecting method of accounting regularly followed by assessee and in working out income on basis of actual sales made during year

ITAT allowed exemption u/s Sec. 54F as assessee furnished docs for construction of house on ancestral land

ITAT Delhi Bench in the case of Phool Singh reported in [2025] 170 taxmann.com 429 (Delhi - Trib.):

Where assessee filed an appeal before Tribunal against order passed by Commissioner (Appeals) which was pending, assessee was entitled to file a declaration under section 4(1) of Vivad Se Vishwas Act, 2020.

HC directs CIT(A) to restore appeal if assessee cures defects pointed out by him within time specified

High Court of Kerala in the case of Arun Vijayan Pillai Vijai reported in [2025] 170 taxmann.com 421 (Kerala):

Where assessee filed an appeal before Commissioner (Appeals) and appeal was dismissed for non-compliance with defects pointed out by Commissioner (Appeals), writ petition against said order was to be disposed of by setting aside impugned order and directing that if assessee cures defects pointed out by Appellate Authority within time specified, appeal shall stand restored to file and shall be disposed of on merits by Appellate Authority

Trust not entitled to claim exemption u/s 11 or 12 if it failed to file ITR as required by section 12A(1)(b)

ITAT Raipur Bench in the case of Vidya Kunj School reported in [2025] 170 taxmann.com 434 (Raipur - Trib.):

Where assessee society had not filed any return of income for year under consideration as per required mandate of section 12A(1)(b), it would stand disentitled for claiming exemption under sections 11 and 12.

Reassessment notice issued without valid approval

from higher authority is bad in law

ITAT Raipur Bench in the case of Keshri Rice Industries reported in [2025] 170 taxmann.com 425 (Raipur - Trib.):

Where Assessing Officer issued reopening notice for which prior approval was granted by Principal Commissioner, since process of reopening had been triggered beyond three years from end of relevant assessment year, clause (ii) of section 151(new regime) would apply and approval was to granted by Principal Chief Commissioner, thus, impugned notice was liable to be quashed

PCIT's revisional order was to be set aside as it was cryptic and non-speaking: ITAT

ITAT Ahmedabad Bench in the case of AMNS Ports Vizag Terminals Ltd. reported in [2025] 170 taxmann.com 332 (Ahmedabad - Trib.):

Where PCIT passed revision order on ground that Assessing Officer had allowed assessee's claim of employers contribution to staff provident fund in excess of 27 per cent of salary, which was contrary to rule 87, since assessee explained that contribution was made to tune of 4.07 percent of salary, which was well within limit prescribed under rule 87, however, PCIT completely ignored these submissions of assessee, impugned order passed by PCIT being a cryptic, non-speaking order, passed without considering detailed contentions made by assessee was clearly not sustainable

ITAT remanded matter as application for registration was decided ex-parte by CIT(E)

ITAT Pune Bench in the case of Avileen Education Foundation reported in [2025] 170 taxmann.com 334 (Pune - Trib.):

Where Commissioner (Exemption) rejected application for registration under section 12A filed by assessee-foundation on ground that assessee did not furnish details/clarifications sought by him, since application for registration was decided ex-parte i.e. for want of prosecution, impugned order was to be set-aside and matter was to be remanded back to Commissioner (Exemption) with a direction

to decide issue afresh after providing reasonable opportunity of hearing to assessee

Sec. 115BBE is a machinery provision providing rate of taxes to be applied on income declared by assessee: ITAT

ITAT Hyderabad Bench in the case of Spectra Equipment (P.) Ltd. reported in [2025] 170 taxmann.com 343 (Hyderabad - Trib.):

Section 115BBE is merely a computation and machinery provision providing rate of taxes to be applied on income/deemed income declared by assessee or assessed by Assessing Officer and higher rate of tax prescribed in section 115BBE is applicable for whole of the financial year 2016-17

No additions u/s 69C if document seized from third party premises didn't contain name of assessee anywhere: ITAT

Mumbai ITAT in the case of Triton Hotels and Resorts (P.) Ltd reported in [2025] 170 taxmann.com 384 (Mumbai - Trib.):

Where Assessing Officer made additions under section 69C on account of unaccounted payments made to interior designer for hotel purchase on basis of seized document which did not contain name of assessee anywhere and said document was found and seized from residential premises of third person, impugned additions were to be deleted

-----By CA K Hemalatha



Program Calendar for the Month

S.No	Date & Time	Topics
1	01/02/2025 - 11.00 am onwards Saturday	Physical Topic : Live Telecast on Budget
2.	08/02/2025 - 10.30 am to 05.00 pm Saturday CPE : 6 Hrs	Physical - CPE Seminar on Finance Bill & FEMA Topics : Deliberations on Finance Bill 2025 Overseas Investment for Individuals
3	20/02/2025 - 05.30 pm to 08.30 pm Thursday CPE : 3 Hrs	Introduction of New Torch Bearers for the year 2025-26 Topics : Seminar on "Clause by Clause Analysis of Finance Act 2025" Followed by Dinner
4.	22/02/2025 - 10.30 am to 05.00 pm Saturday CPE : 6 Hrs	Physical - CPE Seminar on Bank Audit

"Snapshot of Memories: A Glimpse into Last Month's Events"

Physical - CPE Seminar on S. Vaidyanath Aiyar Memorial Lecture
Opportunities for Chartered Accountants held on 22nd January, 2025



Physical - CPE Seminar on GST held on 25th January, 2025



76th Republic Day Celebrations held on 26th January, 2025





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