Date:

Sec 43B(h) : goods or Service. Purchase/ Procurement from micro and Small enterprise.

- If any sum payable to micro or Small enterprise Shall be disallowed if it is paid after time limit prescribed u/s 15 of the MSME Act, 2006. This sum will be allow in the year in which actual payment is made.

- Time limit u/s 15 of MSME Act, 2006.

Written Agreement bet^n supplier & Buyer.
↓
Date Agrees in Agreement
(It shall not be more than 45 days)

No Agreement
↓
15 days from acceptance of good and services.

* Meaning of micro & small ent

		Micro	Small
1)	Investment in p&m equipment	upto 1 cr	upto 10 cr
	AND		
	Turnover	upto 5 crore	upto 50 crore

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Ex:-

BB Ltd purchase a goods from DB ltd (small enterprise) for ₹ 1500,000 on 2nd march 2025. As per written Agreement payment is to be made upto 30th April 2025. However payment is made as follows:

200,000 Paid on 30th march 2025

400,000 Paid on 6th April 2025

300000 Paid on 15th April 2025.

600,000 paid on 6th may 2025.

→ Soln

As per Sec 45 of the MSME Act, 2006 Payment should be made within time agreed in agreement or 45 days whichever is earlier. in the present question due date 16th April 2025. payment of ₹ 900,000 made till 16th April 2025 is allowed in current py 24-25 and remaining 6 Lakhs will be allowed in the py 25-26. ~~in the~~ that is year in which actual payment is made.

2) Suppose in example eg-1 there is no agreement between parties.

— payment should be made within 15 days - No payment made so expenditure allowed in the year in which actual payment is made - 200,000 allowed in py 24-25 & 1300,000 allowed in py 25-26.

This Sec is not applicable when we purchase the goods or Service from medium enterprise.

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4 =

→

→ ~~True~~.

lecture. 40. Date :- 28th sep.

* Sec 43(A) : Asset Acq. from ~~Fro~~ Foreign country.

— If Any Asset Acq. From outside india through ~~Fro~~ Foreign currency loan or supplier ~~Currre~~ Credit any loss or gain at the time of actual payment shall be adjusted with block of Asset

ex = BB ltd Acq. plant & machinery of ₹ 1 lakh $ on 16th July 2024 on credit. payment of 50000 made on 19 Feb 2025 and remaining 50000 $ on 15 July 25 Compute depn for previous year 24-25. and 25-26.

Foreign exchange rate.	$	₹
16/7/2024	1	60
19/2/2025	1	72
15/7/2025	1	57

~~Com~~ Caln of Dep for py 24-25

		₹
	Opening WDV of Balance	—
Add :-	Actual cost of Asset ($10000 × ₹60)	60,00,000
Add :-	loss due to sec 43 A ($ 50000 × 12) 72-60	600,000
	– Sale value	—
		66,00,000
	(–) Dep (66.00,000 × 15%.)	990000
	WDV	5610000

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Date:

Cal^n of Dep^n for PY 25-26.

Opening WDV of Bal.	56,10,000
less: gain due to Sec 43A ($150000x3) (60·57)	(150000)
	54,60,000.
less:- Sale value	-
	5460000
(-) Dep @15%	(819000)
Cl. WDV.	4641000

Sec 41: Deemed income.

Sec 41(1) recovery of any ded^n claimed earlier.

If Assessee claim any expenditure or loss or trading liability and subsequently Assessee got refund or remission or liabilitie cease to exist then such refund or remission shall be taxable under the head PGBP.

eg. GST refund, waiver of electricity bill, Stock destroyed by fire and insurance compensation received.

Note:- waiver of working Capital loan (Principal Amount) then Sec 41(1) is applicable and taxable under the head PGBP.

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* 4 Sec 41 (2) Balance Charge → alredy Cover with Depreciation.

* Sec 41 (3) Sale of scientific research asset

Sale without use (Direct from lab) in Business.

Ⓐ

Taxable U/S 41(3) PGBP

i) sale value
ii) Dedⁿ claimed U/S 35

Ⓑ If SP > cost
capital Gain

Sale after use in the Business

A) Add to Block of Asset by NIL value

B) sale → sec 50 Apply (Part Block / Full Block Transfer)

Sec 41 (4) Bad debts recovery (already covered in sec 36)

Sec 44 AA : Compulsory maintainance of Books of accounts.

A) Specified profession

In this case Assessee is required to maintain specified book if gross receipt is more than ₹150000 in all 3 years preceding the py (or likely to more than 150000 in case of new profession) otherwise assessee is required to maintain normal books of account from ~~AO~~ which AO can complete the assessement.

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Specified Profession (MALE FIT CO)

M Medical.
A Accountancy, Architect, Authorised representative.
L Legal
E Engineering

F Film artists
I Interior decorator / IT professionals.
T Technical consultant

CO Company Secretary.

Specified Books

1. Cash Book,
2. Journal
3. Ledgers
4. Carbon copies of bill more than ₹ 25.
5. ~~Org~~ original bill of exp more of ₹ 50.
6. In case of medical Profession daily case register and Stock register has to be maintained.

Part B : Other Assessee. (Business)

In this case any of the last 3 previous year if PGBP more than 120000 turnover more than 10 Lakh (likely to be more in case of new business) then assessee is required to maintain normal Books of account from which AO can complete the assessment otherwise assessee not required to maintain any book.

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★ In case of individual or HUF PGBP more than ₹ 250000 and turnover more than 25.00.000.

Note

As per sec 270 A If assessee fails to maintain Books of Account then penalty ₹ 25000 may attract

HW Q No 17, 11 (after salary topic)

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