



**FPTA**

**Taxation Committee  
Report, March 2024**

*Convener*

*Piyush Jain  
PMA Delhi*

I am thankful to FPTA President Sh. Dalip Bindal and his team for entrusting me with the responsibility of heading the FPTA's Taxation Committee.

Along with me the Taxation Committee comprises of the following team members:

- SHRI KUNAL KARIA, MUMBAI
- SHRI SACHIN V. SHAH, BENGALURU
- SHRI HULASH KUMAR, BENGALURU
- SHRI MADHU SUDAN BANG, VIJYAWADA
- SHRI ANIRUDH GUPTA, DELHI
- SHRI ANKUR JAIN, MEERUT

*During the past 3 months we have shared the list of important compliance dates with all the members and tried to update members with the business relevant taxation information.*

*Since the introduction of GST, government has been quite proactive in introducing and updating the rules quite frequently, however fortunately much of the GST system now seems to be in place and over the period of last 3 months there has not been any major amendment.*

With regard to Income Tax, Government had in the Budget of the F.Y. 2022-23 inserted the clause (G) to section 43B, according to which any amount remaining unpaid as at year end (say 31st March, 2024) to any creditors being any micro or small enterprise, whether for goods or services, beyond 45 days or lesser period if so agreed or 15 days if nothing specifically agreed, shall be added to your taxable Income and would be allowed as deduction in the year of payment thereof. Hence making it necessary that payment to all such creditors is made in time else full tax would be payable on such unpaid amount resulting in huge additional tax liability.

Tax auditors will have to compulsorily report the same in audit report.



This provision although made with the intention of helping MSME by making it mandatory to clear their dues in time, is on the contrary becoming a contentious issue for the MSME. With many businesses forced to comply and despite being the trade norms or an agreement between the buyer and seller, they shall now have to make the payment before the agreed or prevailing terms. Despite many representations to the government for delaying or removing this provision all together, the provision is applicable for the current year leading to a major compliance issue for many traders.

I am glad to say that FPTA proactively organized a video conference on the subject and helped in better understanding of the same.

Our committee shall strive to provide only the trade relevant updates on taxation and welcomes suggestion from all the esteemed FPTA members.

Thanking you



PIYUSH JAIN  
Convener FPTA Taxation Committee 2023-24

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