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Chartered Accountants



SPCM
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SAMĀCĀRA DECEMBER 2025

DECEMBER



COMPLETION
WITH
EXCELLENCE



REFLECTION
WITH
HONESTY




GRATITUDE
WITH
HUMILITY







VISION
WITH
PURPOSE

SAMĀCĀRA – DECEMBER 2025

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EDITORIAL

Dear All,

As we step into December—the final chapter of this eventful year—we carry with us the glow of Diwali, the momentum of November, and the quiet anticipation of closing one cycle while preparing for the next. December is always a month of duality: reflection on what has been, and readiness for what lies ahead.

The extended due dates announced last month by the CBDT have given professionals much-needed balance during the audit season. With the Tax Audit Report deadline behind us and the 10th December due date for ITR filing approaching, December becomes a period of focus, precision, and mindful completion. It is a reminder that every timely submission and every well-reviewed file is a commitment to our professional integrity.

Beyond tax deadlines, December also offers a unique opportunity to look inward—at systems, processes, and personal growth. The year 2025 has seen rapid digital transformation across tax administration: AI-driven scrutiny, data triangulation through GST-TDS-AIS integration, and increased emphasis on risk-based profiling. In this evolving landscape, our responsibility is not merely compliance but foresight. The quality of our documentation today is the foundation of our defence tomorrow.

On the economic front, the nation continues its steady stride. November 2025 GST collections crossed Rs. 1.98 lakh crore, marking another milestone in India's indirect tax trajectory. The buoyancy reflects not only

festive consumption but also stronger compliance discipline and the expansion of formal business networks. Combined with stabilizing inflation and improving industrial output, the macro indicators signal resilience and calibrated growth as we close the calendar year.

On the SPCM front, November has been a month of energy, celebration, and collective spirit. After the intense audit season, the atmosphere across our offices is vibrant yet grounded.

A delightful highlight of the month was the SPCM Sports Day celebrated on 29th November 2025. It was a day filled with enthusiasm, teamwork, healthy competition, and unforgettable moments. The sportsmanship displayed across all events truly reflected our firm's culture—where participation is valued as much as performance.

Hearty congratulations to all participants and winners for making the day memorable and showcasing the spirit of togetherness that defines the SPCM family.

December is also the month where we begin planning for our next academic and professional cycle—training modules, mentoring structures, article rotations, and new initiatives for 2026. The foundation of any strong firm is not only its deliverables but its people, and investing in their growth remains our constant priority.

A few guiding thoughts for this final month of the year:

1. Completion with Excellence

Whether it is the last return of the season or the final clause in an advisory note, let us finish every assignment with clarity and care. The closing impression of a year often sets the tone for the next.



2. Reflection with Honesty

December invites introspection. What did we learn? Where did we grow? What must we refine? What must we leave behind? Honest reflection is the first step towards meaningful progress.

3. Gratitude with Humility

Let us thank our clients for their trust, our teams for their dedication, our families for their patience, and our mentors for their guidance. Gratitude keeps us grounded, no matter how high we climb.

4. Vision with Purpose

As we prepare for 2026, let our goals be driven not by urgency but by purpose—purpose in improving quality, strengthening relationships, expanding knowledge, and embracing innovation.

On a personal note, December always reminds me that in the journey of a profession; as in life; it is not the speed but the sincerity that defines excellence. We may not control every outcome, but we can always control the honesty of our effort.

As we close the year, I am filled with immense appreciation for every member of the SPCM family. Your hard work, discipline, and unwavering commitment have powered this year's progress. Every challenge handled, every client served, every deadline met—together, they form the story of our firm's resilience.

Let me conclude with two thoughts that capture the essence of both closure and renewal:

“What you leave behind is not what is engraved in stone,

but what is woven into the lives of others.” – Pericles

And from the Bhagavad Gita:

“योगस्थः कुरु कर्माणि”

(Perform your duties with a mind anchored in balance and wisdom.)

May December bring peace, perspective, and a profound sense of fulfilment. And may 2026 greet us with newer opportunities, deeper learning, and greater purpose.

Thanking You,

With Warm Regards,



CA. Suhas P. Bora
Founder Partner,
SPCM and Associates,
Chartered Accountants



GLIMPSE OF EVENT

Delightful highlights of SPCM Sports Day, 2025



**Adv. Sanket S. Bora proudly representing SPCM Legal
at an International Forum in the USA**



**Adv. Sanket S. Bora and CA Siddhant A. Bora attending
international conference at B O K S International, USA**





**Adv. Abhay H. Bora, representing as Brain Trustee at
One Day Seminar on latest updates on GST Laws
organized by Tax Bar Association, Pune & The Goods
and Service Tax Practitioners' Association of
Maharashtra, Mumbai**





DUE DATES

**Income Tax due date calendar for the month of
December 2025:**

DATE	DUE DATE FOR
10-12-2025	<ul style="list-style-type: none"> Due date for filing of return of income for the assessment year 2025-26 if the assessee (not having any international or specified domestic transaction) is <ul style="list-style-type: none"> (a) corporate-assessee or (b) non-corporate assessee (whose books of account are required to be audited) or (c) partner of a firm whose accounts are required to be audited or the spouse of such partner if the provisions of section 5A apply <p>Note: The due date of furnishing of Return of Income has been extended from October 31, 2025 to December 10, 2025, vide Circular no. 15/2025, dated 29-10-2025</p>
15-12-2025	<ul style="list-style-type: none"> Uploading of declarations received in Form 27C from the buyer in the month of November, 2025 Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of November, 2025 has been paid without the production of a challan Third instalment of advance tax for the assessment year 2026-27 Due date for issue of TDS Certificate for tax deducted under section 194-IA, 194-IB, 194M and 194S in the month of October, 2025.

DATE	DUE DATE FOR
30-12-2025	<ul style="list-style-type: none">• Due date for furnishing statement by a recognised association in respect of transactions in which client codes been modified after registering in the system for the month of November, 2025• Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, 194-IB, 194M and 194S in the month of November, 2025.
31-12-2025	<ul style="list-style-type: none">• Filing of belated/revised return of income for the assessment year 2025-26 for all assessee (provided assessment has not been completed before December 31, 2025)

"Darkness cannot drive out darkness: only light can do that.

Hate cannot drive out hate: only love can do that."

— Martin Luther King Jr.

**GST due dates for the month December 2025: -**

DUE DATE	RETURN	PERIOD	DESCRIPTION
10 th December	GSTR-7 (Monthly)	November'25	Summary of Tax Deducted at Source (TDS) and deposited under GST laws.
10 th December	GSTR-8 (Monthly)	November'25	Summary of Tax Collected at Source (TCS) and deposited by E-commerce operators under GST laws.
11 th December	GSTR-1 (Monthly)	November'25	Summary of outward supplies where turnover exceeds Rs.5 crore or have not chosen the QRMP scheme for the quarter of October-December 2025.
13 th December	Furnishing Invoices in IFF Facility (Quarterly)	October- December 2025	Taxpayers who have opted for the Invoice Furnishing Facility (IFF) and choose to upload B2B outward supply invoices for first two months of the quarter. The B2B invoices relating to last month of the quarter are too uploaded while filing GSTR – 1 along with B2C invoices of entire quarter.
13 th December	GSTR-5 (Monthly)	November'25	Summary of outward taxable supplies & tax payable by a non-resident taxable person.
13 th December	GSTR-6	November'25	Details of ITC received and distributed by ISD.



DUE DATE	RETURN	PERIOD	DESCRIPTION
20 th December	GSTR-3B (Monthly)	November'25	Summary of outward supplies, ITC claimed, and net tax payable for taxpayers with turnover more than Rs.5 crore in the last FY or have not chosen the QRMP scheme for the quarter of October-December 2025.
20 th December	GSTR-5A (Monthly)	November'25	Summary of outward taxable supplies and tax payable by OIDAR.
31 st December	GSTR 9 (Annual)	FY 2024-25	All regular taxpayers who have filed GSTR-1 and GSTR-3B during the financial year must file GSTR-9. Exemptions a) Filing GSTR 9 is optional for businesses with an aggregate annual turnover up to ₹2 crore b) Not applicable to casual taxpayers, non-resident taxpayers, Input Service Distributors (ISD), and composition taxpayers.
31 st December	GSTR 9C (Annual)	FY 2024-25	GSTR 9C (Reconciliation statement) is mandatory for taxpayers whose aggregate annual turnover exceeds ₹5 crore in a financial year.

**INCOME TAX****TAX AUDIT: CHAPTER 16****TAX AUDIT – CLAUSES 37 to 39 FORM NO. 3 CD**

We have started with a series on Tax Audit u/s 44AB of the Act considering practical aspects to be taken care of for issue of the Tax Audit reports.

In chapter - 1 we discussed about the applicability of Tax Audit u/s 44AB of the Income Tax Act.

In chapter - 2 we discussed about the meaning of the terms "Sales", "Turnover" and "Gross Receipts".

In chapter – 3 we discussed about "Clauses 1 to 8A of Form No. 3 CD."

In chapter – 4 we discussed about "Clauses 9 to 12 of Form No. 3 CD"

In chapter – 5 we discussed about "Clauses 13 of Form No. 3 CD"

In chapter – 6 we discussed about "Clause 14 and 15 of Form No. 3 CD"

In chapter – 7 we discussed about "Clause 16 and 17 of Form No. 3 CD"

In chapter – 8 we discussed about "Clause 18 to 20 of Form No. 3 CD"

In chapter – 9 we discussed about "Clause 21 of Form No. 3 CD"

In chapter – 10 we discussed about "Clause 22 of Form No. 3 CD"

In chapter – 11 we discussed about " Clause 24 to 26 of Form No. 3 CD"

In chapter – 12 we discussed about " Clause 27 to 29 of Form No. 3 CD"

In chapter – 13 we discussed about " Clause 30 of Form No. 3 CD"

In chapter – 14 we discussed about " Clauses 31(a) to 31(e) of Form No. 3 CD"

In chapter – 15 we discussed about " Clauses 32 and 33 of Form No. 3 CD"

In the series of Article on Tax Audit provisions, we will discuss about "Clauses 37 to 39 Form No. 3 CD"

Clause 37: Whether any cost audit was carried out, if yes, give the details, if any, of disqualification or disagreement on any matter/item/value/quantity as may be reported/identified by the cost auditor:

- The auditor should ascertain from the management whether cost audit was carried out and if yes, a copy of the same should be obtained from the assessee.
- The auditor should also refer to CARO report by the statutory auditor on the observation on maintenance of cost records by the company.



- He has to take notes of the details of disqualification or disagreement on any matter/item/value/quantity as may be reported / identified by the cost auditor.
- The auditor need not express any opinion in a case where such audit is applicable but has not been carried out.
- In cases where cost audit which might be applicable but is not completed by the time the auditor issues his report stating that since cost audit is not completed and the cost audit report is not available with the assessee.
- The auditor should examine the time period for which the cost audit if any has been required to be carried out. Information is required to be given only in respect of such cost audit report the time period of which falls within the relevant previous year.

Clause 38 - Whether any audit was conducted under Central Excise Act, 1944, if yes, then give the details, if any, of disqualification or disagreement on any matter/item/value/quantity as may be identified/reported by the auditor.

- The auditor should ascertain from the management whether any audit was conducted under the Central Excise Act, 1944 and obtain the copy of report for the same. He is not required to make any detailed study of such report, he only has to mention if any disqualification or disagreement on any matter/value/quantity was identified or reported by the auditor.
- The auditor need not express an opinion if any excise audit was required to be conducted but not carried out yet.
- In case if excise audit was ordered but was not completed by the time the auditor had to give his report, then the same fact needs to be disclosed properly by the auditor that report was not yet available with the assessee.



- The auditor should examine the time period for which the excise audit was carried out. Information regarding the time period which falls within the relevant previous year needs to be disclosed.
- With imposition of GST from 1.7.2017, Excise is applicable on very few items.

Clause 39 – Whether any audit was conducted u/s 72A of the Finance Act, 1994 in relation to valuation of taxable services, if yes, then give the details, if any, of disqualification or disagreement on any matter/item/value/quantity as may be reported/ identified by the auditor.

- The auditor should ascertain from the management whether any audit was conducted u/s 72A of the Finance Act, 1994 and obtain the copy of report for the same. He is not required to make any detailed study of such report, he only has to mention if any disqualification or disagreement on any matter/value/quantity was identified or reported by the auditor.
- The auditor needs to express an opinion if any service tax audit was required to be conducted but not carried out yet.
- In case service tax audit was ordered but was not completed by the time tax auditor had to give his report, then the same fact needs to be disclosed properly by the auditor that report was not yet available with the assessee.
- The auditor should examine the time period for which the service tax audit was carried out. Information regarding the time period which falls within the relevant previous year needs to be disclosed.
- With imposition of GST from 1.7.2017, Service tax is no longer applicable, yet in few cases, it was observed that notices had come for the departmental audit of earlier service tax period.

GST

GST UPDATES

1. Simplified GST Registration Scheme:

A new optional simplified registration scheme became for a Simplified GST Registration Scheme has been introduced to reduce the compliance burden and enhance the ease of doing business for small taxpayers.

As per Rule 14A (Option for taxpayers having a monthly output tax liability below the prescribed threshold limit), any person who, on his own assessment, feels that his total output tax liability on the supply of goods or services, or both, to registered persons will not exceed Rs.2.5 lakh per month (including CGST, SGST/UTGST, IGST, and Compensation Cess) shall be eligible to register under this scheme. However, a person registered under this rule in a State or Union Territory shall not be eligible to obtain another registration in the same State or Union Territory under this rule against the same PAN.

2. Advisory for Furnishing of Bank Account Details as per Rule 10A:

As per Rule 10A, taxpayers (except those registered under TCS, TDS, or Suo-moto registrations) must furnish their bank account details within 30 days of grant of registration or before filing details of outward supplies in GSTR-1 or IFF, whichever is earlier.

The changes with respect to Rule 10A will be implemented on the GST Portal soon. Therefore, the taxpayers who have not yet furnished the bank account details till date are advised to update the same at the

earliest to avoid suspension of their GST Registration and disruption of business activities.

Preparation for GST Annual Return (Form GSTR 9) and Reconciliation Statement (Form GSTR 9C)

GSTR-9 is an annual return that consolidates the monthly/quarterly GST returns (GSTR-1 and GSTR-3B) filed during a financial year. GSTR-9C is a reconciliation statement that reconciles the data in GSTR-9 with your audited financial statements. Both are important for GST compliance in India and typically have a due date of December 31 following the end of the financial year.

Who must file GSTR-9 and GSTR-9C?

A) GSTR-9 (Annual Return)

- **Mandatory for regular taxpayers:** All regular taxpayers who have filed GSTR-1 and GSTR-3B during the financial year must file GSTR-9. This includes Special Economic Zone (SEZ) units and developers.
- **Exemptions:**
 - **Small taxpayers:** Filing is optional for businesses with an aggregate annual turnover up to ₹2 crore.
 - **Specific categories:** Not applicable to casual taxpayers, non-resident taxpayers, Input Service Distributors (ISD), and composition taxpayers.

B) GSTR-9C (Reconciliation Statement)

- Applicable to large taxpayers: This statement is mandatory for taxpayers whose aggregate annual turnover exceeds ₹5 crore in a financial year.
- Self-certified: The taxpayer must self-certify the statement. Earlier requirements for a Chartered Accountant (CA) or Cost Accountant (CMA) certification were removed from FY 2020-21 onwards.
- Must be filed after GSTR-9: You must file GSTR-9 before you can file GSTR-9C.

How to prepare for filingPre-filing preparation

1. Rectify errors and missed invoices: Report any amendments for B2B, B2C, credit/debit notes, and export invoices from the previous financial year in the current year's returns before filing the annual return. GSTR-9 and 9C cannot be revised once filed.
2. Reconcile data: This is the most critical step and involves comparing data across multiple documents:
 - a. Outward supplies: Compare your GSTR-1, GSTR-3B, and books of accounts to ensure sales figures match.
 - b. Input Tax Credit (ITC): Reconcile the ITC claimed in GSTR-3B with your GSTR-2B statement and purchase ledger. Inconsistencies can lead to notices and ITC reversals.
3. Gather required documents: Have these documents ready for the financial year you are filing for:

- a. GSTR-1 and GSTR-3B summaries.
- b. GSTR-2A/2B details for reconciling ITC.
- c. Audited annual financial statements (Balance Sheet, Profit and Loss account).

Key considerations and mistakes to avoid:

- Cannot be revised: Neither GSTR-9 nor GSTR-9C can be revised once filed, so ensure all data is accurate before submitting.
- Late fees: The late fee for GSTR-9 is ₹200 per day (₹100 each for CGST and SGST), capped at 0.50% of your turnover. A general penalty of up to ₹25,000 applies for failing to file GSTR-9C.
- File monthly returns first: You must file all GSTR-1 and GSTR-3B forms for the relevant financial year before you can file your annual return.
- Turnover limit for GSTR-9C: Remember that the turnover threshold for GSTR-9C is ₹5 crore for a financial year, not ₹2 crore, as it was in earlier years.

“There are only two ways to live your life. One is as though nothing is a miracle. The other is as though everything is a miracle.”

— Albert Einstein

FINANCE AND VALUATIONS

IPO VALUATIONS: HOW PRICES ARE BUILT, STRETCHED, AND JUSTIFIED

1. IPO Valuation -

- IPO valuation is constructed before shares meet the market.
- Prices are fixed to balance promoter monetisation, banker coverage, institutional comfort, and retail sentiment.
- Listing-day subscription validates pricing optics, not intrinsic value.
- True valuation verdict emerges only over subsequent quarters.

2. How IPO Valuations Are Actually Built?

a. Business Segmentation and Narrative Framing

- Companies are positioned as growth, manufacturing, consumer, or financial services.
- This classification determines acceptable multiples and risk tolerance.
- Valuation outcomes differ materially depending on the narrative selected.

b. Comparable Company Selection

- Listed peers (domestic and global) are identified and benchmarked.
- Underperforming or inconvenient peers are often excluded.
- Peer selection largely determines valuation before calculations begin.

c. Choice of Valuation Multiple

- Platform businesses rely on EV/Sales.
- Manufacturing businesses favour EV/EBITDA.
- Consumer brands mix EV/EBITDA and P/E.
- Financial services use P/E or AUM-linked metrics.

- Multiples mask cash flow weaknesses when applied aggressively.

d. Forward Earnings and Normalisation

- FY+1 or FY+2 earnings typically replace historical profits.
- One-off costs are excluded and margin expansion assumed.
- Working capital intensity is frequently underestimated.

e. Discounted Cash Flow as Silent Support

- DCF models justify premium pricing internally.
- Terminal value contributes 60–75 percent of valuation.
- Discount rates are softened using optimistic assumptions.
- High terminal dependence signals valuation fragility.

f. Price Band Engineering

- Lower band ensures institutional participation.
- Upper band absorbs retail optimism.
- Oversubscription optics are built into pricing strategy.

3. December 2025 IPO Valuation Mechanics In Practice**a. Platform and New-age IPOs (Meesho)**

- Priced on EV/Sales with future profitability assumptions.
- Valuation assumes smooth and timely monetisation.

b. Manufacturing and Aerospace IPOs (Aequs)

- EV/EBITDA applied on normalised capacity.
- Execution and working capital risks often underpriced.

c. Consumer Brand IPOs (Wakefit)

- Brand premium embedded in valuation.
- Customer acquisition costs assumed to decline post scale.

d. Financial Services and AMC IPOs (ICICI Pru AMC)

- Valuations tied to ROE sustainability.
- Regulatory constraints limit valuation stretch.



- Serve as indicators of overall market froth.

e. SME IPOs

- Flat P/E benchmarking with limited peers.
- Liquidity risk ignored at pricing stage.
- Market corrects valuation post listing.

4. Tax And Regulatory Implications

- Valuation reports remain examinable post IPO.
- Listing price does not override valuation logic.
- Aggressive assumptions invite future scrutiny.

5. Strategic Takeaways**a. For Promoters**

- Prioritise sustainability over headline pricing.
- Protect post-listing credibility.
- Treat valuation reports as legal documents.

b. For Investors

- Deconstruct valuation methodology, not just price.
- Identify where assumptions peak.
- Apply heavy discounts to terminal value.

Conclusion:

IPO valuations are carefully structured projections of future performance, not confirmations of present reality. In a market crowded with offerings, pricing strength comes not from optimism but from discipline in assumptions, transparency in methodology, and restraint in expectation-setting. As the market absorbs the December pipeline, valuations built on sustainable cash flows, conservative normalization, and defensible peer benchmarking will outlast those driven primarily by sentiment. Over time, it is not the IPO price that defines success, but the company's ability to grow into that price without eroding credibility.

THANK YOU!

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