

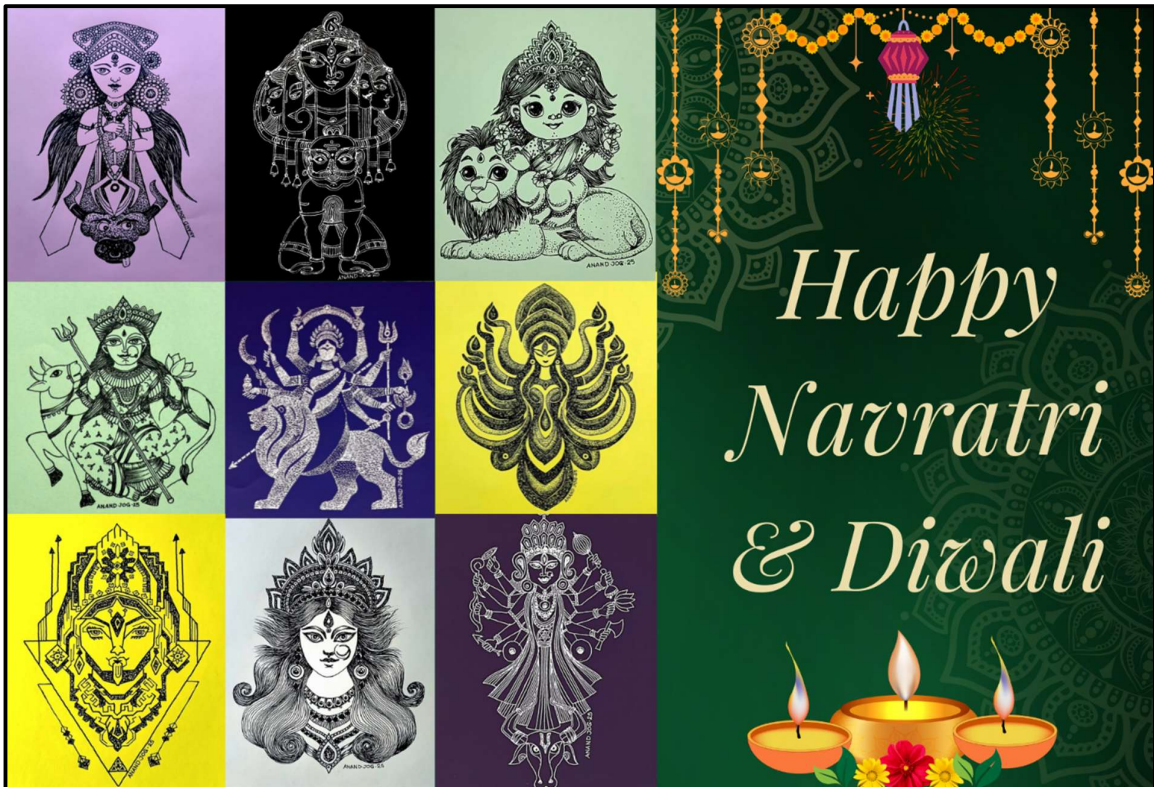
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SAMĀCĀRA OCTOBER 2025



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EDITORIAL

Dear All,

As we welcome October, we carry forward the momentum of September's rigorous cycle of audits, returns, and compliance. This month stands at a unique intersection—bringing both relief and responsibility.

The CBDT has granted a one-month extension for filing Tax Audit Reports (TAR) under Section 44AB, now due on 31st October 2025. While this extension offers welcome breathing space in preparing and reviewing audit reports, it is important to remember that for private limited companies, there has been no relaxation. The statutory requirement of finalising accounts, approving them in the Board Meeting, and holding the Annual General Meeting (AGM) by 30th September 2025 continues unchanged. This dual reality reminds us that compliance is not only about deadlines but about discipline and proactive planning.

October, therefore, is not just an extension—it is an opportunity. The extra time must not lull us into complacency, but instead allow us to enhance the quality of reporting, ensuring that every audit opinion and every disclosure mirrors both regulatory expectations and professional integrity.

Beyond tax audits, October also signals the beginning of a broader cycle of engagements—litigation strategy, transfer pricing documentation, GST reconciliations, and advisory work for the upcoming financial planning season. Each of these responsibilities requires not only technical

expertise but also coordination, foresight, and clarity of communication with clients.

On the professional landscape, two themes are becoming more pronounced:

- Governance and Transparency – With regulators tightening oversight, the role of Chartered Accountants is evolving from compliance custodians to guardians of governance. The insistence on timely AGMs for companies underscores this larger narrative.
- Technology and Trust – As we increasingly leverage AI-driven tools in audits, reconciliations, and risk assessments, our role is to blend efficiency with ethical responsibility, ensuring that technology enhances trust rather than replacing judgment.

From a macroeconomic perspective, GST collections in September 2025 once again crossed ₹1.82 lakh crore, reflecting sustained growth in consumption and stronger compliance. Alongside, the restructuring of GST rates effective 22nd September 2025 marks a significant shift towards rationalisation of slabs and reduction of inverted duty structures. These changes are expected to provide relief to key sectors while broadening the tax base, thereby reinforcing the stability of the indirect tax regime.

At the same time, this restructuring has brought with it practical challenges for businesses. Updating IT systems and ERP software to align with new rate structures, re-negotiating contracts and supply terms, adjusting pricing strategies, and recalibrating working capital planning are immediate tasks on hand. Transitional issues, particularly in respect of ongoing projects and advance contracts, demand careful attention to avoid disputes or unintended tax costs. As advisors, our role is to help



clients navigate these shifts seamlessly, ensuring compliance while also safeguarding business efficiency and profitability.

This month's newsletter cover carries a special significance. The cover page is adorned with the divine sketches of Mata Di, beautifully drawn by my friend Anand Jog. With his kind consent and permission, we have been able to share this art with all of you. I express my deep gratitude for his acceptance and generosity in making this edition more spiritually enriching.

On a personal note, it was truly a humbling moment to meet CA Bhavana Jain, a student of SPCM during her articleship from 2018–2021, and to hear about her decision to take Diksha on 3rd November 2025. Her journey from being a diligent article student, to becoming a Chartered Accountant, and now choosing the highest spiritual path as per Jain philosophy, is deeply inspiring.

I feel grateful that the values and principles she imbibed during her articleship could serve as the first seeds in this divine journey. The courage and clarity with which she has chosen this path reflects her inner strength and commitment. May her step towards renunciation bring eternal peace, spiritual growth, and fulfillment. My heartfelt blessings and best wishes will always be with her.

October is also a month of festivals—Navratri, Dussehra, and the approach of Diwali. Each festival carries profound lessons for us as professionals. Navratri celebrates discipline and devotion; Dussehra marks the victory of truth and righteousness over shortcuts and deception; and Diwali, soon to follow, reminds us of the importance of light, clarity, and renewal. May these values illuminate our work, enabling us to overcome obstacles and deliver with excellence.

At SPCM, we continue to take pride in the achievements and dedication of our team. Every deadline met, every complex issue resolved, and every advisory rendered with insight strengthens the trust clients place in us. This October, let us reaffirm our commitment—not only to meeting extended timelines but to upholding the dignity of our profession in all circumstances.

We conclude with the timeless assurance from the Mahabharata:

“धर्मो रक्षति रक्षितः।”

When we protect Dharma (our duty), Dharma in turn protects us.

And with the modern wisdom of Dr. A.P.J. Abdul Kalam:

“Excellence is a continuous process and not an accident.”

May this October bring balance between relief and responsibility, discipline and determination, compliance and creativity.

Thanking You,

With Warm Regards,



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

**GLIMPSE OF EVENT**

A moment of gratitude and pride! The first copy of the Income Tax Act – 2025 (by TaxSutra) was released at the SPCM Temple on 5.10.2025 by the hands of our esteemed mentor CA Suhas P. Bora and CA Arun Giri, Founder of TaxSutra, while seeking the divine blessings of all Gods. The occasion was graced by the presence of Adv. Abhay H. Bora and Adv. Sanket S. Bora.





A humbling moment for the entire SPCM family, as CA Bhavana Jain, a student of SPCM during her articleship from 2018–2021, has decided to take Diksha on 3rd November 2025. Her journey — from being a diligent article student to becoming a Chartered Accountant, and now choosing the highest spiritual path as per Jain philosophy — is truly inspiring.





Adv. Abhay H. Bora performed the role of Moderator at the seminar on “Strategic Approach to GST Appeals” organised by GSTAT, a recognition of his growing expertise and leadership in the field of indirect tax litigation.



DUE DATES

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

DATE	DUE DATE FOR
07-10-2025	- Due date for deposit of tax deducted/collected for the month of September, 2025. - Due date for deposit of TDS for the period July 2025 to September 2025 when Assessing Officer has permitted quarterly deposit of TDS under section 192, 194A, 194D or 194H. - Uploading of declarations received in Form 27C from the buyer in the month of September, 2025 - Due date for deposit of TDS for the period July 2025 to September 2025 when Assessing Officer has permitted quarterly deposit of TDS under section 192, 194A, 194D or 194H.
15-10-2025	- Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of September, 2025 has been paid without the production of a challan. - Due date for issue of TDS Certificate for tax deducted under section 194-IA, 194-IB, 194M and 194S in the month of August, 2025. - Quarterly statement of TCS deposited for the quarter ending September 30, 2025



DATE	DUE DATE FOR
	• Upload declarations received from recipients in Form No. 15G/15H during the quarter ending September, 2025 • Furnishing of quarterly statement (by an authorised dealer) in respect of foreign remittances made during the quarter ending September 30, 2025
30-10-2025	• Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, 194-IB, 194-IM and 194-IS in the month of September, 2025 • Quarterly TCS certificate (in respect of tax collected by any person) for the quarter ending September 30, 2025
31-10-2025	• Quarterly statement of TDS deposited for the quarter ending September, 2025. • Intimation by a designated constituent entity, resident in India, of an international group in Form no. 3CEAB for the accounting year 2024-25 • Due date for furnishing of Annual audited accounts for each approved programmes under section 35(2AA) • Quarterly return of non-deduction of tax at source by a banking company from interest on time deposit in respect of the quarter ending September, 2025 • Copies of declaration received in Form No. 60 during April 1, 2025 to September 30, 2025 to the concerned Director/Joint Director • 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 (a) corporate-assessee or (b) non-corporate assessee (whose books of account are required to be audited

DATE	DUE DATE FOR
	- Audit report under section 44AB for the assessment year 2025-26 in the case of an assessee who is also required to submit a report pertaining to international or specified domestic transactions under section 92E - Report to be furnished in Form 3CEB in respect of international transaction and specified domestic transaction - Due date for e-filing of report (in Form No. 3CEJ) by an eligible investment fund in respect of arm's length price of the remuneration paid to the fund manager (if the assessee is required to submit return of income on October 31, 2025) - Statement by scientific research association, university, college or other association or Indian scientific research company as required by rules 5D, 5E and 5F (if due date of submission of return of income is October 31, 2025) - Submit copy of audit of accounts to the Secretary, Department of Scientific and Industrial Research in case company is eligible for weighted deduction under section 35(2AB) [if company does not have any international/specified domestic transaction] - Intimation in Form 10BBB by a pension fund in respect of each investment made in India for quarter ending September, 2025 - Intimation in Form II by Sovereign Wealth Fund in respect of investment made in India for quarter ending September, 2025 - Furnishing of statement for exercising the option to pay tax at a concessional rate under section 115BBF for income in the nature of royalty arising from patent developed and registered in India (if the assessee is required to submit return of income by October 31, 2025)

DATE	DUE DATE FOR
	- Exercising the option to opt out from the new tax regime under Section 115BAC (if assessee is required to submit return of income by October 31, 2025) - Exercising the option to opt for alternative tax regime under Section 115BAD by co-operative society (if assessee is required to submit return of income by October 31, 2025) - Exercising the option to opt for alternative tax regime under Section 115BAE by co-operative society (if assessee is required to submit return of income by October 31, 2025) - Furnishing of declaration by a taxpayer claiming deduction under Section 80GG in respect of the rent paid for residential accommodation (if the assessee is required to submit return of income by October 31, 2025) - Furnishing of audit report along with particulars forming part of its Annexure by electoral trust - Furnishing of particulars for claiming relief under Section 89 (if assessee is required to submit return of income by October 31, 2025) - Furnishing of statement for exercising the option to claim relief under section 89A for income arising from retirement benefit account maintained in a notified country at the time of withdrawal or redemption (if assessee is required to submit return of income by October 31, 2025) - Furnishing of an annual statement of income taxable at concessional rate under section 115AD (if assessee is required to submit return of income by October 31, 2025) - Exercising the option to opt for alternative tax regime under Section 115BA by a domestic company (if due



DATE	DUE DATE FOR
	date of submission of return of income is October 31, 2025) • Exercising the option to opt for alternative tax regime under Section 115BAA by a domestic company (if due date of submission of return of income is October 31, 2025) • Furnishing of details of attribution of capital gain taxable under section 45(4) to the capital asset remaining with the firm, AOP or BOI after reconstitution (if the firm, AOP or BOI is required to furnish return of income by October 31, 2025) • Total Income and Alternate Minimum Tax of the person other than company during the previous year 2024-25 (if the assessee is required to submit return of income on November 30, 2025) • Furnishing of Audit report in Form no. 10B/10BB by a fund or trust or institution or any university or other educational institution or any hospital or other medical institution • Furnishing of report of audit of the accounts of an assessee, other than a company or a co-operative society, in Form No. 3AE under section 35E(6) for the previous year 2024-25 (if the assessee is required to submit return of income on October 31, 2025) • Furnishing of statement containing the particulars of expenditures specified under Section 35D(2)(a) (if the assessee is required to submit return of income by October 31, 2025) • Furnishing of audit report in Form 3CE under section 44DA by non-resident and foreign company for the previous year 2024-25 (if the assessee is required to submit return of income on October 31, 2025) • Furnishing of audit report relating to computation of capital gains in case of slump sale (if the assessee is

DATE	DUE DATE FOR
	required to submit return of income on October 31, 2025) - Furnishing report under section 115JB for computing the book profits of the company during the previous year 2024-25 (if the assessee is required to submit return of income on October 31, 2025) - Furnishing report under section 115JC for computing Adjusted Total Income and Alternate Minimum Tax of the person other than company during the previous year 2024-25 (if the assessee is required to submit return of income on October 31, 2025).

"You can't go back and change the beginning, but you can start where you are and change the ending. Every moment is a fresh beginning. That first morning after you've decided to be different, the world looks different. The possibilities are endless. It's time to stop looking back and start moving forward."

– C.S. Lewis

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

DUE DATE	RETURN	PERIOD	DESCRIPTION
10 th October	GSTR-7 (Monthly)	September'25	Summary of Tax Deducted at Source (TDS) and deposited under GST laws.
10 th October	GSTR-8 (Monthly)	September'25	Summary of Tax Collected at Source (TCS) and deposited by E-commerce operators under GST laws.
11 th October	GSTR-1 (Monthly)	September'25	Summary of outward supplies where turnover exceeds Rs.5 crore or have not chosen the QRMP scheme for the quarter of July-September 2025.
13 th October	GSTR-6	September'25	Details of ITC received and distributed by ISD.
13 th October	GSTR-5 (Monthly)	September'25	Summary of outward taxable supplies & tax payable by a non-resident taxable person.
20 th October	GSTR-3B (Monthly)	September'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 July-September 2025.
20 th October	GSTR-5A (Monthly)	September'25	Summary of outward taxable supplies and tax payable by OIDAR.

**INCOME TAX****TAX AUDIT: CHAPTER 14****TAX AUDIT – CLAUSES 31(a) to 31(e) 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 the series of Article on Tax Audit provisions, we will discuss about "Clauses 31(a) to 31(e)Form No. 3 CD"

Clause 31(a) - Details of each loan or deposit taken or accepted in an amount exceeding limit specified in section 269SS (i.e., Rs. 20000/-):

Details to be reported under this sub-clause include:

- i. Name, address and Permanent Account Number or Aadhaar Number (if available with the assessee of the lender or depositor)
- ii. Amount of loan or deposit taken or accepted
- iii. Whether the loan or deposit was squared up during the previous year
- iv. Maximum amount outstanding in the account at any time during the previous year
- v. Whether the loan or deposit was taken or accepted by cheque or bank draft or use of electronic clearing system through a bank account
- vi. In case the loan or deposit was taken or accepted by cheque or bank draft, whether the same was taken or accepted by an account payee



cheque or an account payee bank draft The auditor needs to take care of the following for this sub-clause:

- For the purposes of section 269SS "loan or deposit" means loan or deposit of money. Following would not be covered u/s 269SS:
 - Though reportable under this clause, it has been held in certain judicial pronouncements journal / transfer entries are not covered u/s 269SS. - *CIT v. Noida Toll Bridge Co. Ltd.* 262 ITR 260 (Del); *CIT Vs Worldwide Township Projects Ltd.* (Delhi High Court) ITA No. 232/2014.
 - Sale proceeds collected by the selling agent
 - Advance received against agreement of sale of goods
 - Security deposits against contracts, etc. will be covered by the definition of 'deposit'. However, the amount retained by the contractee against performance of contract will not be covered as loans/deposits for reporting as amount is not received
- Share application money advance supported by appropriate documentation is neither deposit nor loan and subsequent allotment of shares or repayment of application money as a part of allotment process. Details of each loan or deposit taken or accepted exceeding the limit specified in section 269SS (i.e., details of each loan or deposit taken or accepted for Rs. Rs.20000/- or more in the previous year) is to be given
- He should scrutinize all the loans and deposits which the assessee had taken or accepted during the year.
- Even loans / deposits squared up during the year have to be reported.
- Maximum amount of loan outstanding in the account at any time during the year is also to be reported.



- If the total of all loans/deposits from a person exceed Rs.20,000/- but each individual item is less than Rs.20,000/-, the information will still be required to be given in respect of all such entries.
- In case where such loan or deposit is accepted or taken from a primary agricultural credit society or a primary co-operative agricultural and rural development bank from or by its member then limit shall be 200000/- or more w.e.f AY 2023-24..
- If the loan or deposit is accepted by cheque or bank draft whether these are Account payee or not is to be reported. There could be practical difficulties in verifying that the loan or deposit taken or accepted by account payee cheque or an account payee bank draft. In such cases, the tax auditor should verify the transactions with reference to such evidence which may be available and report in Form 3CA/3CB that:
 - *"It is not possible for me/us to verify whether loans or deposits have been taken or accepted otherwise than by an account payee cheque or account payee bank draft, as the necessary evidence is not in the possession of the assessee."*

Clause 31(b) - Details of any specified sum taken or accepted in an amount exceeding limit specified in section 269SS (i.e, Rs. 20000/-).

Specified sum means any sum of money receivable, whether as advance or otherwise in relation to transfer of an immovable property, whether or not the transfer takes place.

Details to be reported under this sub-clause include:

- i. name, address and Permanent Account Number or Aadhaar Number (if available with the assessee of the person from whom specified sum is received)
- ii. amount of specified sum taken or accepted

- iii. whether the specified sum was taken or accepted by cheque or bank draft or use of electronic clearing system through a bank account
- iv. in case the specified sum was taken or accepted by cheque or bank draft, whether the same was taken or accepted by an account payee cheque or an account payee bank draft

The auditor needs to take care of the following for this sub-clause:

- Not only advance but any sum received in relation to transfer of immovable property (including payment received at time of sale) is covered under this clause.
- He should scrutinise all the accounts in which the assessee had taken or accepted any specified sum mentioned above during the year. He should also scrutinise the agreements through which transfer is affected or is proposed to be affected.
- This detail is required to be given by real estate builders and dealers too. They should take appropriate care in providing the particulars under this clause. In case of detail being too voluminous and the assessee does not provide the details thereof, adequate disclaimer should be given in Form 3CA/3CB too.
- If the specified sum is accepted by cheque or bank draft whether these are Account payee or not is to be reported. There could be practical difficulties in verifying that the specified sum taken or accepted by account payee cheque or an account payee bank draft. In such cases, the tax auditor should verify the transactions with reference to such evidence which may be available and report in Form 3CA/3CB that:
 - *“It is not possible for me/us to verify whether the specified sums have been taken or accepted otherwise than by an account payee cheque or account payee bank draft, as the necessary evidence is not in the possession of the assessee.”*

Clause 31(ba) - Particulars of each receipt in an amount exceeding the limit specified in section 269ST (i.e., 200000/-, in aggregate from a person in a day or in respect of a single transaction or in respect of transactions relating to one event or occasion from a person, during the previous year, where such receipt is otherwise than by a cheque or bank draft or use of electronic clearing system through a bank account

This sub-clause has been inserted to Form 3CD w.e.f. 20th August 2018 and requires reporting for transactions u/s 269ST. The reporting is required to be made if the amount received is Rs. 2 Lakhs or more for any of the following:

- in aggregate from a person in a day; or
- in respect of a single transaction; or
- in respect of transactions relating to one event or occasion from a person.

The auditor needs to verify the following:

- Verify the cash book whether cash is received of Rs. 2 lakhs or more in a single day from a person.
- Verify the ledgers and other documents to determine any transaction which is of Rs. 2 Lakhs or more. Against those transactions, verify whether the assessee received any amount other-wise than by cheque, draft or ECS of Rs. 2 Lakhs or more. In this case both the transaction as well as receipts is to be verified (which could be not in a single day but in multiple days too)
- Verify the events or occasions done/entered/participated/organized by the assessee. For that event/occasion did the assessee receive Rs. 2 Lakhs or more from a person other- wise than by cheque, draft or ECS? The event/occasion could last for more than a day, the limits per person are to be analyzed for the whole event and all invoices in aggregate for the event has to be seen collectively.



- Only the exceptions as notified by CBDT are not to be reported, which are:
 - receipt by a business correspondent on behalf of a banking company or co- operative bank, in accordance with the guidelines issued by the RBI
 - receipt by a white label automated teller machine operator from retail outlet sources on behalf of a banking company or co-operative bank, in accordance with the authorisation issued by the RBI under the Payment and Settlement Systems Act, 2007
 - receipt from an agent by an issuer of pre-paid payment instruments, in accordance with the authorisation issued by the RBI under the Payment and Settlement Systems Act, 2007
 - receipt by a company or institution issuing credit cards against bills raised in respect of one or more credit cards
 - receipt which is not includible in the total income under section 10 (17A) (awards received by student from government) of the Income-tax Act, 1961.
- Obtain a management representation from the assessee that:
 - He/ it did not receive any amount of Rs. 2 Lakhs or more other-wise than by cheque, draft or ECS for any of the following:
 - in aggregate from a person in a day; or
 - in respect of a single transaction; or
 - in respect of transactions relating to one event or occasion from a person

Clause 31(bb) - Particulars of each receipt in an amount exceeding the limit specified in section 269ST (Rs.2,00,000/-), in aggregate from a person in a day or in respect of a single transaction or in respect of transactions relating to one event or occasions from a



person, received by a cheque or bank draft, not being an account payee cheque or an account payee bank draft, during the previous year

This clause is an extension of S. No. 31(ba) and requires reporting only in case when the above-mentioned receipt is received by cheque or bank draft and the cheque or bank draft is not an account payee cheque or accounting payee bank draft.

There could be practical difficulties in verifying that the amount in question has been accepted by account payee cheque or an account payee bank draft. In such cases, the tax auditor should verify the transactions with reference to such evidence which may be available and report in Form 3CA/3CB that:

- *“It is not possible for me/us to verify whether the assessee received an amount exceeding the limit specified in section 269ST in aggregate from a person in a day or in respect of a single transaction or in respect of transactions relating to one event or occasions from a person, by an account payee cheque or an account payee bank draft, during the previous year as the necessary evidence is not in the possession of the assessee.”*

Clause 31(bc) - Particulars of each payment in an amount exceeding the limit specified in section 269ST (i.e., Rs. 200000/-, in aggregate to a person in a day or in respect of a single transaction or in respect of transactions relating to one event or occasion to a person, during the previous year, where such payment is otherwise than by a cheque or bank draft or use of electronic clearing system through a bank account

S. No. 31(ba) was for receipt of money in contravention of s. 269ST. This clause is for reporting of PAYMENT of money in contravention of s. 269ST. There is no penalty on the assessee u/s 271DA for payment, as the same is only on the receiver, yet this information is sought by the department to take appropriate action on the receiver.

The auditor needs to verify the following:



- Verify the cash book whether cash is paid of Rs. 2 lakhs or more in a single day to a person.
- Verify the ledgers and other documents to determine any transaction which is of Rs. 2 Lakhs or more. Against those transactions, verify whether the assessee paid any amount other-wise than by cheque, draft or ECS of Rs. 2 Lakhs or more. In this case both the transaction as well as payments are to be verified (which could be not in a single day but in multiple days too)
- Verify the events or occasions done/entered/participated/organised by the assessee. For that event/occasion did the assessee pay Rs. 2 Lakhs or more to a person other-wise than by cheque, draft or ECS? The event/occasion could last for more than a day, the limits per person are to be analysed for the whole event and all invoices in aggregate for the event has to be seen collectively
- Only the exceptions as notified by CBDT are not to be reported.
- Obtain a management representation from the assessee that:
 - He/ it did not pay any amount of Rs. 2 Lakhs or more other-wise than by cheque, draft or ECS for any of the following:
 - in aggregate to a person in a day; or
 - in respect of a single transaction; or
 - in respect of transactions relating to one event or occasion to a person

Clause 31(bd) - Particulars of each payment in an amount exceeding the limit specified in section 269ST (Rs.2,00,000/-), in aggregate to a person in a day or in respect of a single transaction or in respect of transactions relating to one event or occasions to a person, paid by a cheque or bank draft, not being an account payee cheque or an account payee bank draft, during the previous year

This sub-clause is an extension of S. No. 31(bc) and requires to report only in case when the above-mentioned payment is made by cheque or bank draft and the cheque or bank draft was not an account payee cheque or account payee bank draft.

There could be practical difficulties in verifying that the amount in question has been paid by account payee cheque or an account payee bank draft. In such cases, the tax auditor should verify the transactions with reference to such evidence which may be available and report in Form 3CA/3CB that:

- *“It is not possible for me/us to verify whether the assessee paid an amount exceeding the limit specified in section 269ST in aggregate to a person in a day or in respect of a single transaction or in respect of transactions relating to one event or occasions to a person, by an account payee cheque or an account payee bank draft, during the previous year as the necessary evidence is not in the possession of the assessee.”*

Clause 31(c) - Particulars of each repayment of loan or deposit or any specified advance in an amount exceeding the limit specified in section 269T made during the previous year.

This sub-clause requires reporting of repayment of loan or deposit or any specified advance (for immovable property) of Rs. 20000/- or more.

Details to be reported under this sub-clause include:

- i. whether the repayment was made by cheque or bank draft or use of electronic clearing system through a bank account
- ii. in case the repayment was made by cheque or bank draft, whether the same was repaid by an account payee cheque or an account payee bank draft

The auditor needs to take care of the following for this sub-clause:

- For the purposes of section 269T "loan or deposit" means any loan or deposit of money which is repayable after notice or repayable



after a period and, in the case of a person other than a company, includes loan or deposit of any nature.

- In the case of company assessee loan or deposit repayable on demand will not be considered for the purpose of this section as loan or deposit.
- In the case of non-company assessee loan or deposit is defined to mean loan or deposit of any nature. This distinction will have to be kept in mind while giving information under this sub-clause.
- Loan or deposits discharged by means of transfer entries in the books of account constitute repayment of loan or deposits otherwise than by account payee cheques or account payee bank drafts. Hence, such entries have to be reported under this clause.
- Details of each loan or deposit or any specified advance repaid exceeding the limit specified in section 269T is to be given.
- He should scrutinise all the loans, deposits and advance against immovable property which the assessee had paid during the year.
- Maximum amount outstanding in the account at any time during the year is also to be reported.
- If the loan or deposit or specified advance is paid by cheque or bank draft whether these are Account payee or not is to be reported. There could be practical difficulties in verifying that the loan or deposit or specified advance is paid by account payee cheque or an account payee bank draft. In such cases, the tax auditor should verify the transactions with reference to such evidence which may be available and report in Form 3CA/3CB that:
 - *“It is not possible for me/us to verify whether loans or deposits or specified advance have been paid otherwise than by an account payee cheque or account payee bank draft, as the necessary evidence is not in the possession of the assessee”*

Clause 31(d) - Particulars of repayment of loan or deposit or any specified advance in an amount exceeding the limit specified in section 269T received otherwise than by a cheque or bank draft or use of electronic clearing system through a bank account during the previous year.

S. No. 31(c) was for repayment of loan or deposit or any specified advance in contravention of s. 269T. This clause is for reporting of PAYMENT RECEIVED of LOAN / DEPOSIT / SPECIFIED ADVANCE in contravention of s. 269T. There is no penalty on the assessee u/s 271F for payment received, as the same is only on the payer, yet this information is sought by the department to take appropriate action on the payer.

If the loan / deposit / specified advance given is received back otherwise than by cheque or bank draft or ECS, the same is to be reported under this clause.

Clause 31(e) - Particulars of repayment of loan/deposit or any specified advance in an amt. exceeding the limit specified in section 269T received by cheque / bank draft which is not an account payee cheque / account payee cheque / bank draft during the PY.

This sub-clause is an extension of S. No. 31(d) and requires reporting only in case when the above-mentioned payment is received by cheque or bank draft and the cheque or bank draft was not an account payee cheque or accounting payee bank draft.

There could be practical difficulties in verifying that the amount in question has been received by account payee cheque or an account payee bank draft. In such cases, the tax auditor should verify the transactions with reference to such evidence which may be available and report in Form 3CA/3CB that:

- “It is not possible for me/us to verify whether the assessee received the repayment of loan or deposit or specified advance of an amount exceeding the limit specified in section 269T by an account payee cheque or an account payee bank draft, during the previous year as the necessary evidence is not in the possession of the assessee”

**GST****GIST OF GST NOTIFICATIONS**

Notification No.	Date	Subject / Highlights
13/2025-Central Tax	17.09.2025	Notification No. 13/2025–Central Tax (17.09.2025) introduces the CGST Third Amendment Rules, 2025, bringing changes in refund processing timelines, appeal procedures (with new forms), and clarifications in rules like 31A and 39; most provisions apply from 22.09.2025, with some retrospective effect from 01.04.2025.
14/2025-Central Tax	17.09.2025	Notification No. 14/2025-Central Tax prohibits certain registered taxpayers from getting provisional GST refunds under Section 54(6) if they have not completed Aadhaar authentication under Rule 10B. It also restricts provisional refunds for those dealing in specific goods — areca nuts, pan masala, tobacco and substitutes, and essential oils. This restriction takes effect from October 1, 2025
15/2025-Central Tax	17.09.2025	CBIC issued notification to exempt taxpayer with annual turnover less than Rs 2 Crore from filing annual return.
16/2025-Central Tax	17.09.2025	CBIC notified clauses (ii), (iii) of section 121, section 122 to section 124 and section 126 to 134 of Finance Act, 2025 to come into force.
02/2025-Compensation Cess (Rate)	17.09.2025	CBIC issued notification completely eliminating GST Compensation Cess on 19 major product categories including automobiles, beverages, coal, and luxury items.



Notification No.	Date	Subject / Highlights
09/2025- Central Tax Rate	17.09.2025	Revised tax rates and schedules: Supersedes 01/2017-CTR to notify GST rates on various goods by detailed schedules. This includes major slab restructuring and new product/sector coverage. Schedule I (5%): Essential goods (food grains, dairy, pulses, spices, medicines, renewable energy) Schedule II (18%): Processed foods, spirits, cement, ores, sports goods, toys, art, manufactured products Schedule III (40%): Soft drinks, luxury vehicles, yachts, aircraft, gambling Schedule IV (3%): Gold/precious metal jewellery, silver coins, handcrafted idols, platinum products, semi-processed gems, handicrafts Schedule V (0.25%) & Schedule VI (1.5%): Rough diamonds, industrial diamonds, uncut gemstones Schedule VII (28%): Pan masala, Tobacco, cigarettes These changes are to be effective from 22nd September 2025
10/2025- Central Tax Rate	17.09.2025	Revised exemption list for goods: Supersedes 02/2017-CTR to update the list of goods exempt from central GST, expands exemptions especially for agricultural, food, health, and education items. Also, defines terms such as 'pre-packaged and labelled', "unit container" and clarifies the scope of items such as the drugs in Annexure I & musical instruments in Annexure II.

Notification No.	Date	Subject / Highlights
		This notification is to be effective from 22nd September 2025
<u>11/2025-</u> Central Tax Rate	17.09.2025	GST rate amendment for petroleum and coal bed methane operations: The rate is changed from the earlier 12% to 18%. This amendment will be effective from 22nd September 2025.
<u>12/2025-</u> Central Tax Rate	17.09.2025	Amendment to used motor vehicles: The notification changes the reference for used motor vehicles (petrol/ diesel/ SUVs) from the older schedule (Schedule IV of 01/2017) to the updated schedules (Schedule II or III of 09/2025). This notification is to be effective from 22nd September 2025
<u>13/2025-</u> Central Tax Rate	17.09.2025	Reduced GST rate on handmade items and handicrafts, etc.: Substitutes the previous notification 21/2018-CTR. It replaces the entire GST rate table. The new rates prescribed are 5% GST for a wide array of handicraft items including woodcraft, embroidery, coir, pottery, glassware, bamboo and cane crafts, paintings, sculptures, etc. Additionally, silver filigree work, handmade imitation jewellery and natural seed/bead jewellery attract a concessional rate of 3%. This notification is effective from 22nd September 2025.

Notification No.	Date	Subject / Highlights
<u>14/2025-</u> Central Tax Rate	17.09.2025	GST rate notified for bricks/tiles: Notifies GST at 12% for fly ash bricks, building bricks, fossil bricks, earthen/roofing tiles; clarifies product codes and coverage. This notification is effective from 22nd September 2025.
<u>15/2025-</u> Central Tax Rate	17.09.2025	Comprehensive service rate changes : Amends the GST rates on various services under the principal Notification 11/2017-CTR, as follows- 1) New rate 18%- Transport services (non-Indian railways container transport, multimodal transport), courier and postal services, local delivery through e-commerce operators, professional and business services, manufacturing job work. (Previously 12% GST). 2) New rate 5%- Tailoring services, job work for food, textiles, printing educational materials, brick manufacturing, handicrafts, beauty and cleaning services. 3) New rate 1.5%- Job work on diamonds. Tightened rules on input tax credit claims with clear exceptions and illustrations. This notification is effective from 22nd September 2025 It is also clarified with respect to renting, that 'premises' means a place from where hotel accommodation services are being supplied or are to be supplied, with effect from 1st April 2025.
<u>16/2025-</u> Central Tax Rate	17.09.2025	Exemptions to services- Removal of Local delivery by or through ECO & including individual health/life insurance: - Amends the definition of GTA given under the principal Notification 12/2017-CTR to exclude local delivery by or through ECO (e-commerce operator) - Inserts exemptions for individual health/life insurance & reinsurance



Notification No.	Date	Subject / Highlights
		- Clarifies that certain local delivery by or through e-commerce operator are excluded from certain exemptions - Defines 'group' and 'health insurance businesses. This notification is effective from 22nd September 2025
17/2025- Central Tax Rate	17.09.2025	Reverse charge on local delivery service by ECO : Adds a clause in the principal notification 17/2017-CTR, specifies that the e-commerce operator shall pay GST under RCM on services by way of local delivery except where the person supplying such services through the electronic commerce operator is liable for mandatory GST registration under section 22(1) This notification is effective from 22nd September 2025.

GIST OF GST CIRCULARS

Circular No.	Date	Subject / Highlights
253/10/2025-GST	01-Oct-2025	Regarding withdrawal of circular No. 212/6/2024-GST. This new circular is meant to withdraw an earlier one, Circular No. 212/6/2024-GST, which was issued on June 26, 2024. Essentially, it addressed clarifications related to supplier discounts and evidence required to claim these discounts. Norms have been furnished under the withdrawn circular for the procedure for suppliers to provide proof of compliance with pre-requisites mentioned u/s 15(3)(b)(ii) of the Central Goods and Services Tax (CGST) Act, 2017, specifically for the post-supply discounts. Suppliers through the same withdrawal shall no longer be needed to comply with the procedure specified in the earlier circular for furnishing this proof. CBIC mentioned that the same step has been opted for to ensure uniformity in the GST provisions execution in field formations.
252/09/2025-GST	23.09.2025	Communication to taxpayers through e-Office requirement of Document Identification Number (DIN).
251/08/2025-GST	12.09.2025	The Circular clarifies that post-sale or secondary discounts given through financial/commercial credit notes, without reducing the supplier's GST liability, will not require ITC reversal by the recipient. Such discounts are treated as simple price reductions unless they are contractually linked

Circular No.	Date	Subject / Highlights
		to supplies made to end customers, in which case they may form part of the transaction value. Further, promotional or marketing activities by dealers will be taxable as separate services only when there is a formal agreement and specific consideration; otherwise, mere discounts do not amount to service supply.

"You gain strength, courage, and confidence by every experience in which you really stop to look fear in the face. You must do the thing which you think you cannot do. Remember always that you not only have the right to be an individual, you have an obligation to be one."

– Eleanor Roosevelt

GST UPDATES

- 1. GST compliance requirement before November 30, 2025, is the final opportunity to rectify errors and claim or reverse Input Tax Credit (ITC) for the financial year 2024–25, major deadlines are for the monthly returns for October 2025.**

In addition to filing monthly returns, taxpayers should undertake the following reconciliations to ensure full compliance:

- a) Ensure Reverse Charge Mechanism (RCM) Compliance:** Identify RCM transactions (legal services, GTA, security services, etc.) pay tax till March 2025 to claim ITC in the same period.
- b) Credit notes for FY 2024–25:** The deadline for issuing and reporting any credit notes for sales returns or discounts related to FY 2024–25 is also November 30, 2025. This allows you to adjust your GST liability.
- c) Check GST TDS/TCS Credit on the GST Portal:** Claim available credits before March 31, 2025 after reconciling with books.
- d) Reconcile GSTR-1, GSTR-3B, and books:** Match the turnover declared in your books of accounts with the figures reported in your GSTR-1 and GSTR-3B for FY 2024–25.
- e) Reconcile ITC with GSTR-2B:** Ensure that the ITC claimed for FY 2024–25 matches the data in your GSTR-2B. Follow up with suppliers for missing invoices that are required to reconcile.



- f) **Address ITC reversals:** Ensure all necessary ITC reversals for FY 2024–25 are completed, such as for non-payment to vendors within 180 days or for blocked credits under Section 17(5).
- g) **Follow up on pending invoices:** Use the Invoice Management System (IMS) on the GST portal to resolve pending invoices with your vendors, particularly for the previous financial year.

2. New Changes in Invoice Management System (IMS):

GSTIN portal introduced in the Invoice Management System (IMS) to simplify the taxation system and reduce the compliance burden on the taxpayers. The following are the key updates:

a) Pending action for specified records: taxpayers can keep specified records pending for a limited time period. For monthly taxpayers, this period is one tax period (months), for quarterly taxpayers also it is one tax period (quarter) only. The specified records which can be kept pending in the system are mentioned below:

- i. **Credit notes, or upward amendment of Credit note**
- ii. **Downward amendment of CN where original CN rejected**
- iii. **Downward amendment of Invoice / DN only where original Invoice already accepted and 3B has been filed**
- iv. **ECO-Document downward amendment only where original accepted, and 3B has been filed**

b) Declaring ITC reduction amount: In IMS a facility has been made available to taxpayers to declare the amount of ITC actually

availed and, to the extent applicable, required to be reversed in respect of the selected record. The said facility permits reversal of ITC, either in full or in part, by entering the amount availed to be reversed.

- c) Option to save remarks:** Taxpayers can now save remarks while taking reject or pending action on records. This optional facility allows taxpayers to add remarks (will be rolled out shortly). Such remarks will be visible in GSTR-2B for future reference and to suppliers in the Outward Supplies view dashboard, to take corrective measures.

3. Invoice-wise Reporting Functionality in Form GSTR-7 on portal-reg:

Vide Notification No. 09/2025 – Central Tax dated 11.02.2025, Form GSTR-7 was amended to enable capture of invoice-wise reporting of tax deducted at source (TDS).

In this regard, it is informed that the functionality for invoice-wise reporting in GSTR-7 has now been made operational on the GSTN portal. Hence from September 2025 tax period in Form GSTR-7 invoice level reporting is required.

Accordingly, all TDS Deductors are requested to prepare the data accordingly so that they could furnish invoice-level details on which TDS has been deducted while filing FORM GSTR-7 for the September return period onwards.

Due date for September tax period return filing is 10th October 2025.

FINANCE AND VALUATIONS

REIT Funds: The Calm Amid Chaos — How Yield is Winning Over Uncertainty

What Are REIT Funds?

REIT funds (Real Estate Investment Trust Funds) are mutual fund schemes or exchange-traded funds that invest primarily in listed Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs).

They allow investors to indirectly participate in high-quality, income-generating real estate assets such as commercial offices, logistics parks, malls, and data centres — without the capital intensity or illiquidity of direct property ownership.

In essence, REIT funds turn real estate into a financial asset:

- Steady Income: Derived from rentals and lease-backed cash flows.
- Liquidity: Listed on exchanges and open-ended fund routes provide easier entry and exit.
- Diversification: Offer exposure to both domestic REITs and global REITs through Fund-of-Fund (FoF) structures.

In India, notable REIT-based funds include Kotak International REIT FoF (global exposure), Mahindra Manulife Asia Pacific REITs FoF (Asian yield markets), and domestic funds such as Nippon India REIT ETF and Motilal Oswal Nifty REITs & InvITs Fund.

How REIT Funds Bloom When the World Slows Down?

Periods of global slowdown or geopolitical instability often drive a shift in

investor behaviour — from growth-driven equities to yield-driven stability assets.

REIT funds historically perform well in such environments because they combine predictable income with inflation protection and tangible backing.

1. Predictable Cash Flows – REITs distribute a large portion (often 90%) of their income as dividends, offering consistent returns when earnings volatility hits equities.
2. Inflation-Hedged Assets – Lease agreements often include inflation-linked rent escalations, protecting real returns.
3. Capital Rotation – As central banks reduce rates during recessions, REIT yields become relatively attractive, causing capital inflows into yield assets.
4. Tangible Backing – Real, income-producing assets provide psychological comfort during uncertain times — “yield you can touch.”

The Global Context: When Policy and Politics Shake the Markets

As 2025 progresses, the world economy faces frequent U.S. policy shifts — from tariffs to capital-market regulations — unsettling global capital flows.

Geopolitical flashpoints across the Middle East and Asia, coupled with volatile energy markets, are driving investors toward defensive, yield-based instruments.

Against this backdrop, REIT funds are emerging as stability anchors, offering yield visibility amidst uncertainty.

In 2009, after the global crisis, U.S. REITs outperformed the S&P 500 by nearly 2x over three years.

Similarly, during 2020–2022, Singapore and Asian REITs delivered steady returns even as tech valuations collapsed. India is now witnessing a similar rotation — global funds and sovereign investors are adding Indian REIT exposures as safe-yield proxies for emerging markets.

India's Advantage: Growth + Yield, Not Growth vs Yield

Factor	India's Position	Why It Matters
Office Space Demand	Over 55 mn sq. ft. annual leasing in FY25	Strong cash flow base for REITs
Stable Currency	INR depreciation contained vs peers	Attracts foreign portfolio inflows
Policy Support	SEBI's reclassification of REITs as equity; higher MF limits	Improves access and liquidity
Healthy Yields	7–8% distribution yields	Beats G-Secs with inflation hedge
Retail Access	REIT ETFs & FoFs simplify participation	Broadens investor base

Indian REITs like Embassy Office Parks, Mindspace, and Brookfield maintain 85–90% occupancy and steady distributions, proving themselves reliable yield vehicles even in volatile markets.

Valuation Perspective: Why REIT Funds Deserve Advisor Attention

For valuation professionals, REIT funds deserve attention due to their stability and measurable yield metrics.

Lower beta, transparent distributable income, and inflation-linked leases make them ideal for fair-value benchmarking in uncertain times.

- Lower Beta – REIT NAVs move slower than equities, stabilising portfolio valuations.

- Comparable Yield Models – Cap rate frameworks mirror traditional real estate valuation.
- Inflation-Linked WACC – Adjusts real discount rates downward, enhancing value stability.
- ESG Premium – Green-certified properties enjoy 30–40 bps yield compression, adding upside to valuations.

Risk Watchlist

Valuation and advisory professionals should monitor:

- Rising interest rates, which can pressure cap rates and NAVs.
- Hybrid work trends that may affect lease renewals.
- Evolving taxation and disclosure regulations for REIT funds.

Conclusion: Yield is the New Growth

In an era when global headlines change faster than forecasts, REIT funds represent the quiet compounding of stability.

They combine income visibility, inflation protection, and real-asset backing — qualities investors crave in volatile markets.

While global markets debate growth, India's REIT funds are turning yield into strategy.

For valuation professionals, they represent a new frontier in risk-adjusted fair value modelling — because when capital runs for cover, it lands on real assets.

THANK YOU!

DISCLAIMER

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