



**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**  
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**KOTTAYAM BRANCH (SIRC)**

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# NEWSLETTER



# CHAIRPERSON'S Message

## CA. Ramya. N Chairperson



Dear Members, Students, and Well-wishers,

As we reflect on the month of May 2025, I am delighted to share the highlights of a truly dynamic and engaging month filled with learning, laughter, and meaningful professional development. We commenced the month with a refreshing and novel initiative—"LOL @ ICAI – Laugh Out Ledger". The ever-entertaining CA. Dinesh Rama Shenoy led us through an evening of humour, offering a delightful pause from our intense schedules. It reminded us that a light heart often carries the heaviest loads more gracefully. On 7th May we had an impactful Mentorship Programme and Panel Discussion on TDS Compliance, Filing, and Latest Issues, moderated by CA. Anil P. Our esteemed panelists—CA. Aloshy K Abraham, CA. Shanavas M, CA. Nisha Elizabeth Shajan, and CA. Hariharan L—brought clarity to the evolving TDS landscape. With

3 hours of CPE credit, the session proved both timely and enriching. A highlight of the month was the Public Outreach Program on 17th May on the Income Tax Bill – 2025, along with a CPE Seminar. Expertly led by CA. V. Ramnath and Dr. CA. Abhishek Murali, Regional Council Member, SIRC, the session offered profound insights into the proposed legislative changes. The thought-provoking discussions were instrumental in helping professionals and the public alike prepare for the transition. We culminated the month with a full-day CPE Seminar on 31st May focusing on "Financial Statements for Non-Corporate Entities." With 6 CPE hours, the programme featured CA. M. P. Vijay Kumar and CA. Survajith S. Krishnan, whose sessions were lauded for their clarity and relevance. One participant rightly observed, "MPV Sir's session made even the complex seem simple." His engaging style and deep knowledge left a lasting impact.

While our CA students were immersed in their examinations during May, I commend each of you for your commitment and resilience. You are the torchbearers of our profession, and your perseverance sets a sterling example.

### Looking Ahead: June & Beyond

June marks not only the beginning of a new academic year but also a renewed opportunity to influence and be influenced by learning. The role of Chartered Accountants in shaping academic discourse, guiding budding professionals, and continuously evolving with the times cannot be overstated. As we commemorate World Environment Day on June 5th, let us be reminded of our responsibility as financial custodians to promote sustainability, green finance, and environmental stewardship. "The earth does not belong to us; we belong to the earth." Let this principle inspire our practices and policies. Later in the month, on June 27th, we



honour MSME Day. MSMEs are the lifeblood of the Indian economy, and Chartered Accountants play a pivotal role in their growth—advising on compliance, structuring, funding, and scaling. Our technical competence and trusted guidance help MSMEs remain resilient and future-ready. The economic landscape today is being rapidly reshaped by technology, automation, and data-driven decision-making. As professionals, we are called not only to adapt but to lead. Embracing digital tools, cloud platforms, and AI-enabled analytics will enable us to remain relevant and add greater value to our clients and society.

#### Upcoming Events to Mark in Your Calendar:

- 3rd June – CPE Mentorship Programme on Basics of GST: A session tailored to strengthen foundational understanding.
- 13th June – CA S. S. Ayyar Memorial Lecture including a CPE event led by CA. T. N. Manoharan, Past President of ICAI and Padma Shri awardee, followed by a CPE Session on “Renewal of Registration of Trusts and Relevant Provisions in the Income Tax Bill, 2025” by CA. Prasanth Srinivas. This event promises to be both enlightening and inspirational.
- 14th June – All Kerala Chartered Accountants Indoor Games at Palakkad
- 27th June – MSME day celebration – Mentorship programme on MSME

company audit – A walk through the process led by CA Annu Iype, CA Annu John, CA Suchitra and CA Bina Ipe

As we step into the new month, let us carry forward the same spirit of unity, learning, and service. In the timeless words of Dr. A.P.J. Abdul Kalam,

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

Let us continue to strive, support, and succeed—together.

Warm regards,

CA. Ramya N  
Chairperson  
Kottayam Branch of SIRC of ICAI



# GST UPDATES



## CA. Akhil Varghese

### **Advisory on reporting values in Table 3.2 of GSTR-3B – dated May 16th 2025**

As per the earlier advisory dated April 11, 2025, it was communicated that the inter-State supplies made to unregistered persons, Composition taxable persons and UIN holders auto-populated in Table 3.2 of Form GSTR-3B would be made non-editable starting from the April 2025 tax period (i.e., for the return to be filed in May 2025).

However, GSTIN has been decided that Table 3.2 shall remain editable for the time being.

### **Reporting of HSN codes in Table 12 and list of documents in table 13 of GSTR-1/1A – dated May 1st 2025**

A tax payer having Aggregate Annual Turnover (AATO) in the preceding Financial Year of up-to 5 crores and more than 5 crores has to mandatorily report 4-digit

HSN codes and 6-digit HSN code respectively in table-12 of GSTR-1 for goods & services.

As per the GSTN update, following changes have been made in the GSTN portal:

- Manual user entry of HSN will not be allowed.
- HSN code can be selected from drop down only.
- A customized description

mentioned in HSN master will auto-populate in a new filed called "Description as per HSN Code"

- In table 12 of GSTR-1, the validation with regards to value of the supplies have also been introduced for validating the value of B2B and B2C supplies entered in different tables of GSTR-1 with the value of B2B and B2C supplies shown in Table-12 of GSTR-1.
- Table 12 of GSTR-1/1A is now bifurcated into two tabs, namely, "B2B Supplies" & "B2C Supplies". Taxpayers need to enter HSN summary details of B2B Supplies and B2C Supplies separately under respective tab.
- A new button has been introduced in Table 12, "Download HSN Codes List". Upon clicking of this button, taxpayer would be able to download an excel file with the updated list of HSN & SAC codes for goods and services along with their description.

#### **Demand for wrong availment of ITC under IGST head instead of CGST and SGST head has been set aside.**

The Hon'ble HC of Kerala has set aside the order which confirmed the demand on the basis that the tax payer has wrongly availed ITC under IGST head instead of CGST and SGST head. The Hon'ble Court has observed that ITC available in the electronic credit ledger should be considered as a pool of funds designated for different types of taxes, such as CGST, IGST and SGST. The Hon'ble Court directed the

department to consider the matter afresh.

*Maniserry Jayachandran v. UOI - 2025:KER:5200*

#### **Pre-deposit can be made using electronic credit ledger**

The Hon'ble SC has upheld the decision of the Hon'ble HC of Gujarat in the case of M/s. Yasho Industries Limited v. UOI & ANR wherein the High Court has held that the payment of pre-deposit under Section 107 of the CGST Act can be made by utilizing the amount available in the Electronic credit ledger. The SLP filed by the Revenue against the High Court decision has been dismissed.

*Union of India v. M/s. Yasho Industries Limited, SLP (C) No. 17547/2025*

#### **Section 61 of the CGST Act cannot be invoked for demanding tax on the basis of difference between transaction value and the market value of the goods**

The Hon'ble High Court of Jharkhand has quashed the notices issued under Section 61 of the CGST Act comparing the particulars at which Petitioners have sold their goods with that of prevalent market price on the ground that the same is wholly without jurisdiction and beyond the scope of Section 61 of the CGST Act.

*Sri Ram Stone Works v. State of Jharkhand - W.P. (T) No. 5535 of 2024*

#### **Supreme Court has dismissed Safari Retreats Review petition**

In a landmark Judgment, the Hon'ble Supreme Court dismissed a review petition filed by the Revenue against its judgment dated 03.10.2024. In its earlier judgment, the Supreme Court even though had held the constitutional validity of Section 17(5)(c) and 17(5)(d) of the CGST Act but observed that the expression "plant or machinery" used in Section 17(5)(d) cannot be given the same meaning as the expression "plant and machinery" defined by the explanation to Section 17. The SC has also observed that if the construction of a building was essential for carrying out the activity of supplying services, such as renting or giving on lease or other transactions in respect of the building or a part thereof, then the building could be held to be a plant. The SC had remanded the matter to HC with a direction that Functionality test will have to be applied to decide whether a building is a plant or not.

*The Author would like to highlight that the Government vide Finance Act 2025, dated 29.03.2025, brought a retrospective amendment (w.e.f. 01.07.2017), replacing "plant or machinery" with "plant and machinery" in Section 17(5)(d) of the CGST Act to restrict ITC claims.*

*Chief Commr. of CGST v. Safari Retreats Pvt. Ltd., R.P in C.A. No. 2948 of 2023 (dated 20.05.2025)*



# Analysis of CBDT Circular No. 16/2024: Comprehensive Guidelines on Condonation of Delay in Filing Forms 9A, 10, 10B, and 10BB



## CA. Prasanth Srinivas

The Central Board of Direct Taxes (CBDT) issued Circular No. 16/2024, dated 18th November 2024, laying down updated and consolidated guidelines for condonation of delay in filing crucial forms required under the Income-tax Act, 1961. These forms relate to charitable/religious trusts and institutions claiming exemptions under Sections 10(23C), 11, and 12 of the Act. This circular provides clarity on the authorities empowered to condone delays, conditions for condonation, time limits for filing and disposal, and applies to Assessment Year (AY) 2018-19 onwards.

### Purpose of Each Form

- Form 9A – Used by charitable/religious institutions to apply for the option to spend income in the year of receipt or subsequent year, as the case may be, pursuant to the explanation to Section 11(1), in case the income could not be applied in the same year.
- Form 10 – Filed to accumulate or set apart income (for maximum 5 years) for future application under Section 11(2).
- Form 10B – Audit report filed

by registered / approved charitable/religious trusts, subject to certain criteria.

- Form 10BB – Audit report filed by registered / approved charitable / religious trusts who are not required to file Form No. 10B.

### Key Provisions of this Circular No. 16/2024

#### 1. Circular number and date

Circular No. 16/2024 dated 18th November 2024

## 2. Effective date

Effective from 18th November 2024 (date of issue)

## 3. What does it deal with?

It deals with condonation of delay under Section 119(2)(b) of the Income-tax Act, 1961 vis

à-vis delay in filing of Forms 9A, 10, 10B, 10BB.

## 4. Applicable from which assessment year?

Applies from Assessment Year 2018-19 onwards

## 5. Supersedes what?

This circular supersedes all previous instructions, circulars and guidelines issued by CBDT related to condonation of delay for the above-mentioned forms.

## Condonation of Delay – Authorities and Conditions

### 1. Who Can Condone Delay Up to 365 Days?

Principal Commissioners of Income Tax (Pr. CsIT) and Commissioners of

Income Tax (CsIT)

### 2. Who Can Condone Delay Beyond 365 Days?

- Principal Chief Commissioners of Income Tax (Pr. CCsIT)
- Chief Commissioners of Income Tax (CCsIT)
- Director Generals of Income Tax (DGsIT)

## Conditions for Condonation

### 1. Common Criteria for All Forms

- The delay must be due to a reasonable cause
- The application should show genuine hardship faced by the assessee

### 2. Additional Criteria for Form 10

- Authorities must verify whether the amount accumulated or set apart has been invested/deposited as per Section 11(5)

## Timelines

### 1. Time Limit for Making the Application

- The application must be made within 3 years from the end of the relevant assessment year
- Applies to all applications filed on or after 18.11.2024

### 2. Time Limit to Dispose of the Application

- Should be disposed of within 6 months from the end of the month in which the application is received, as far as possible

## Pending Applications - What About Applications Pending on 18.11.2024?

- The powers and procedures outlined in this circular will also apply to all applications pending as of 18th November 2024

## Conclusion

CBDT Circular No. 16/2024 marks an important step in streamlining the compliance and regulatory framework for charitable institutions and other exempt entities. By providing clear timelines, designated authorities, and objective criteria for delay condonation, the circular aims to ensure consistency, transparency, and fairness in the application of Section 119(2)(b) of the Income-tax Act. Entities seeking exemption under Sections 10(23C), 11, and 12 must now be extra diligent in filing required forms on time or ensuring that any delay is adequately justified and promptly addressed within the limits laid down by this circular.

## Is there Any other remedy?

Appeal before the CIT (A) is another remedy. ITAT Cochin in the case of Home of Love, Kozhikode vs. ITO, Exemption, Kozhikode (ITA 152/ Coch/2025) held that -

- The time limit prescribed for submission of Form 10B is only directory in nature and not a mandatory condition and
- When Form 10B was very much available at the time of processing the return of income, no prejudice is caused to the Department on account of delayed digital filing of Form 10B.

Another citation – Chinmaya Seva Trust vs. DCIT (2025) 174 taxmann. com 214 (Panaji ITAT)





## This month programmes at a glance

### LOL @ICAI



### Mentorship Programme- Panel Discussion on TDS





## CPE Seminar on New Income Tax Bill 2025





# CPE Seminar on Financial Statements for Non Corporate Entities

