

# NEWSLETTER

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### **NEWSLETTER FOR MAY 25** **VOLUME 15, ISSUE 5**

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# COMPLIANCE

## MAY 2025 DUE DATES

### GST

DATE	COMPLIANCE DETAIL	APPLICABLE TO
10th	<ul style="list-style-type: none"><li>GSTR-7 (TDS return under GST)</li></ul>	<ul style="list-style-type: none"><li>Person required to deduct TDS under GST</li></ul>
	<ul style="list-style-type: none"><li>GSTR-8 (TCS return under GST)</li></ul>	<ul style="list-style-type: none"><li>Person required to collect TCS under GST</li></ul>
11th	GSTR-1 (Outward supply return)	<ul style="list-style-type: none"><li>Taxable persons having annual turnover &gt; Rs. 5 crore in FY 2024-25</li><li>Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2024-25 and not opted for Quarterly Return Monthly Payment (QRMP) Scheme</li></ul>
13th	<ul style="list-style-type: none"><li>GSTR-6 [Return by input service distributor (ISD)]</li></ul>	<ul style="list-style-type: none"><li>Person registered as ISD</li></ul>
	<ul style="list-style-type: none"><li>GSTR-5 (Return by Non-resident)</li></ul>	<ul style="list-style-type: none"><li>Non-resident taxable person (NRTP)</li></ul>
	<ul style="list-style-type: none"><li>Invoice Furnishing Facility - IFF (Details of outward supplies of goods or services)</li></ul>	<ul style="list-style-type: none"><li>Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2024-25 and opted for QRMP Scheme</li></ul>
20th	<ul style="list-style-type: none"><li>GSTR-3B (Summary return)</li></ul>	<ul style="list-style-type: none"><li>Taxable persons having annual turnover &gt; Rs. 5 crore in FY 2024-25</li><li>Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2024-25 and not opted for QRMP scheme</li></ul>
	<ul style="list-style-type: none"><li>GSTR-5A [Online Information Database Access and Retrieval (OIDAR) services return]</li></ul>	<ul style="list-style-type: none"><li>OIDAR services provider</li></ul>

25th

- Form GST PMT-06 (payment of tax for QRMP filers)

- Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2024-25 and opted for QRMP scheme

## INCOME TAX

DATE

COMPLIANCE DETAIL

APPLICABLE TO

7th

- TDS / TCS deposit

- Non-Government Deductors

- Equalization Levy deposit

- All Deductors

15th

- Form 27EQ –TCS return

- All Collectors

30th

- TCS certificate in Form 27D
- TDS Return

- All Collectors
- All Deductors

31st

31st

- Statement of Financial Transactions (Form No.61A)

- Specified reporting persons as per section 285BA of the Income-tax Act,1961

## CORPORATE LAW

DATE

COMPLIANCE DETAIL

APPLICABLE TO

30th

- Form 11 (Annual Return) with Ministry of Corporate Affairs

- Limited Liability Partnership Firm (LLPs)

31st

- Financial Results along with Limited review report/Auditor's report

- All Listed entities

## OTHER

DATE

COMPLIANCE DETAIL

APPLICABLE TO

15th

- Deposit of PF & ESI contribution

- All Deductors



## **CBIC ISSUED NOTIFICATION, CIRCULAR AND INSTRUCTION ISSUED FOR THE MONTH OF APRIL 2025**

### **→ INSTRUCTION NO- 03/2025- GST, DATED 17.04.2025**

The CBIC has issued Instruction No. 03/2025-GST dated 17.04.2025, regarding processing of applications for GST registration. Also, these guidelines issued in supersession of earlier Instruction No. 03/2023-GST dated 14.06.2023. These instructions particularly focus on the following:

- A. Documents for Proof of Principal Place of Business (PPOB)
- B. Issues in respect of Constitution of Business.
- C. Processing Timelines and Physical Verification

### **Key Guidelines are as under:**

#### **1. Documents for Proof of Principal Place of Business (PPOB):**

- **In case of owned premises:** the applicant has to upload the document as listed in the above-mentioned list. The list includes latest Property Tax receipt or Municipal Khata copy or copy of Electricity Bill of the owner. In this regard, it is to be noted that any one of the documents mentioned in the said list or any similar document such as water bill or any other document prescribed under the State or the local laws which clearly establishes the ownership of the premises submitted by the applicant should suffice. Any one document uploaded on the portal will be sufficient and no additional document should be requested from the applicant for proof of ownership of the premises of the applicant. While processing registration application, query should not be raised by the officer seeking original physical copy of these documents.
- **In cases where premises is rented:** the applicant is required to upload the valid Rent/Lease agreement along with any one of the documents, mentioned in the indicative list of documents in FORM GST REG-01 to establish the ownership of the premise by the lessor. The list includes latest Property Tax receipt or Municipal Khata copy or copy of Electricity Bill. However, it has been observed that additional documents of the lessor are being sought by the field formations such as his PAN card, Aadhar Card, photograph of the lessor in front of/or inside the property, etc. It is hereby advised that any one of the documents mentioned in the said list or similar documents such as water bill or any document prescribed under the State or the local laws which clearly establishes the ownership of the premises by the lessor should be sufficient proof of the principal place of business.

- It is further advised that in case where Rent/Lease Agreement is not registered, then agreement along with any one of the documents mentioned in the above list and a copy of the identity proof of the lessor should be sufficient. In case where Rent/Lease Agreement is registered, agreement alongwith any one of the documents mentioned in the above list should suffice and no identity proof of the lessor should be sought. However, in case the electricity or water connection is in the name of the applicant tenant, the document evidencing the same alongwith the rent agreement should be accepted as a valid proof and no additional documents pertaining to the lessor should be sought.
- In case Consent Premises (owned by spouse/relative/etc.): the ownership of premises is with spouse, relative etc., a consent letter in plain paper by the concerned owner of the premises along with a copy of the identity proof of the person granting consent along with any one of the documents as mentioned in list of documents appended to FORM GST REG-01 in support of ownership of the premises of the consenter should suffice. The list includes latest Property Tax receipt or Municipal Khata copy or copy of Electricity Bill. Any one of these documents or similar documents such as water bill or any document prescribed under the State or the local laws which clearly establishes the ownership of the premises by the consenter should suffice and no additional documents from the applicant should be sought.
  - In respect of shared premises, where Rent/Lease agreement is available, the applicant may upload copy of the agreement alongwith any one of the documents in the said list relating to the ownership of the premises which includes latest Property Tax receipt or Municipal Khata copy or copy of Electricity Bill. In cases where Rent/Lease Agreement is not registered, then agreement alongwith any one of the documents mentioned in the above list and a copy of the identity proof of the lessor should be sufficient. In case where Rent/Lease Agreement is registered, agreement alongwith any one of the documents mentioned in the above list should suffice and no identity proof of the lessor should be sought.
  - In cases where Rent/Lease agreement is not available, the applicant may upload a consent letter in plain paper from the consenter alongwith his identity proof of the consenter and any of the said documents in support of ownership of the premises of the consenter. In such cases, any one of the documents mentioned in the said list or similar document prescribed under the State or the local laws which clearly establishes the ownership of the premises by the consenter should suffice and no additional document should be sought from the applicant for proof of ownership of the premises by the consenter.
- In case of rented/leased premises, where rent or lease agreement is not available: Affidavit is to be executed on non-judicial stamp paper of minimum value in the presence of First-Class Judicial Magistrate or Executive Magistrate or Notary Public. Also, any document prescribed in the FORM GST REG-01 in support of the possession of the premises of the applicant such as copy of Electricity Bill in the name of the applicant is sufficient.
- PPOB located in SEZ: Upload SEZ-related Certificates/documents issued by the Government of India.



## **2. Issues in respect of Constitution of Business:**

- **In case of Partnership firm:** Only the Partnership Deed is required. No additional document like Udhyam certificate, MSME certificate, shop establishment certificate, trade license etc. should be sought from the applicant.
- **In case of Other Entities (Trusts, Societies, Govt., AOPs, etc.):** Upload the Registration Certificate / Proof of Constitution only.

It has been observed that various unwarranted documents are being sought by raising presumptive queries. Some of the common queries raised are that residential address of the applicant/Managing Director/Authorized Signatory is not in the same city or the State where the registration has been sought; HSN code of goods mentioned by the applicant in Registration application is banned or prohibited for sale in the State where the applicant wishes to conduct business; the kind of activities mentioned in the registration application cannot be conducted from the particular premises etc. Officers handling registration applications should not ask any presumptive query which is not related to the documents or information submitted by the applicant.

## **3. Processing Timelines and Physical Verification**

- Officers must scrutinize only the prescribed documents under Form GST REG-01 (photograph, proof of constitution, place of business, bank details).
- If application is not flagged as risky and documents are complete, it must be approved within 7 working days of submission of application.
- If flagged risky or Aadhaar authentication is not completed, or officer decides to inspect, then Physical verification is mandatory. Further, Registration to be granted within 30 days, subject to verification.
- Where physical verification is to be carried out, the officer carrying out physical verification shall ensure to Provide a clear report on existence/non-existence. In case entity is found non-existing, efforts made in respect of locating the said premises, need to be recorded in the physical verification report. Upload GPS-tagged photographs and documents in Form GST REG-30. If ARN is wrongly assigned to another jurisdiction, it must be reassigned immediately.

## NEWS & UPDATES



### **Advisory for Biometric-Based Aadhaar Authentication and Document Verification for GST Registration (Applicants of Assam), Dated 02.04.2025**

1. Rule 8 of the CGST Rules, 2017 has been amended to provide that an applicant can be identified on the common portal, based on data analysis and risk parameters for Biometric-based Aadhaar Authentication and taking a photograph of the applicant along with the verification of the original copy of the documents uploaded with the application.
2. The above-said functionality has been developed by GSTN. It has been rolled out in Assam on 1st April 2025.
3. The said functionality also provides for the document verification and appointment booking process. After the submission of the application in Form GST REG-01, the applicant will receive either of the following links in the e-mail,
  - A Link for OTP-based Aadhaar Authentication OR
  - A link for booking an appointment with a message to visit a GST Suvidha Kendra (GSK) along with the details of the GSK and jurisdiction, for Biometric-based Aadhaar Authentication and document verification (the intimation e-mail)
4. If the applicant receives the link for OTP-based Aadhaar Authentication as mentioned in point 3(a), she/he can proceed with the application as per the existing process.
5. However, if the applicant receives the link as mentioned in point 3(b), she/he will be required to book the appointment to visit the designated GSK, using the link provided in the e-mail.
6. The feature of booking an appointment to visit a designated GSK is being enabled for the applicants of Assam and the applicants can book slots from 1st April, 2025..
7. After booking the appointment, the applicant gets the confirmation of appointment through e-mail (the appointment confirmation e-mail), she/he will be able to visit the designated GSK as per the chosen schedule.
8. At the time of the visit of GSK, the applicant is required to carry the following details/documents
  - a copy (hard/soft) of the appointment confirmation e-mail
  - the details of jurisdiction as mentioned in the intimation e-mail
  - Aadhaar Card and PAN Card (Original Copies)
  - the original documents that were uploaded with the application, as communicated by the intimation e-mail.
9. The biometric authentication and document verification will be done at the GSK, for all the required individuals as per the GST application Form REG-01.
10. The applicant is required to choose an appointment for the biometric verification during the maximum permissible period for the application as indicated in the intimation e-mail. In such cases, ARNs will be generated once the Biometric-based Aadhaar Authentication process and document verification are completed.
11. The operation days and hours of GSKs will be as per the guidelines provided by the administration in your state.

## ➔ **Advisory on Case Insensitivity in IRN Generation, dated 04.04.2025**

1. This is to inform you that, effective 1st June 2025, the IRP (Invoice Reporting Portal) would treat invoice/document numbers as case-insensitive for the purpose of IRN generation.
2. To ensure consistency and avoid duplication, invoice numbers reported in any format (e.g., "abc", "ABC", or "Abc") would be automatically converted to uppercase before IRN generation. This change aligns with the treatment of invoice numbers in GSTR-1, which already treats them as case-insensitive.
3. The same is shared for your kind information please. For any further clarification, please reach out to the GST helpdesk.

## ➔ **Advisory on Case Insensitivity in IRN Generation, dated 04.04.2025**

1. Table 3.2 of Form GSTR-3B captures the inter-state supplies made to unregistered persons, composition taxpayers, and UIN holders out of the supplies declared in Table 3.1 & 3.1.1 of GSTR-3B. The values in Table 3.2 of GSTR-3B auto-populates from corresponding inter-state supplies declared in GSTR-1, GSTR-1A, and IFF in requisite tables.
2. It is to inform you that from April-2025 tax period, inter-state supplies auto-populated in Table 3.2 of GSTR-3B will be made non-editable. The GSTR-3B shall be filed with the auto-populated values as generated by the system only.
3. Therefore, in case any modification/amendment is required in auto-populated values of Table 3.2 of GSTR-3B, same can be done only by amending the corresponding values in respective tables of GSTR-1A or through Form GSTR-1/IFF filed for subsequent tax periods.
4. To ensure that GSTR-3B is filed accurately with the correct values of inter-state supplies, it is advised to report the correct values in GSTR-1, GSTR-1A, or IFF. This will ensure the auto-populated values in Table 3.2 of GSTR-3B are accurate and compliant with GST regulations.

## **FAQ's**

### **1. What are the changes related to reporting supplies in Table 3.2?**

Starting from the April 2025 tax period, the auto-populated values in Table 3.2 of GSTR-3B for inter-state supplies made to unregistered persons, composition taxpayers, and UIN holders will be non-editable, and taxpayers will need to file GSTR-3B with the auto-populated values generated by the system only.

### **2. How can I rectify values in Table 3.2 of GSTR-3B if incorrect values have been auto-populated after April 2025 period onwards due to incorrect reporting of the same through GSTR-1?**

If incorrect values are auto-populated in Table 3.2 after April 2025, taxpayers need to correct the values by making amendments through Form GSTR-1A or through Form GSTR-1/IFF filed for subsequent tax periods.

### **3. What should I do to ensure accurate reporting in Table 3.2 of GSTR-3B?**

Taxpayers should ensure that the inter-state supplies are reported correctly in their GSTR-1, GSTR-1A, or IFF. This will ensure that the accurate values are auto-populated in Table 3.2 of GSTR-3B.

### **4. Till what time/date I can amend values furnished in GSTR-1 through Form GSTR-1A?**

As there is no cut-off date for filing Form GSTR-1A before GSTR-3B which means Form GSTR-1A can be filed after filing Form GSTR-1 and till the time of filing Form GSTR-3B. Hence, any amendment required in auto-populated values of table 3.2, same can be carried out through Form GSTR-1A till the moment of filing GSTR-3B.



→ **Advisory on Table -12 of GSTR 1 of GSTR 1A**

It to inform that GSTN has implemented phase wise changes in Table-12 of GSTR-1 or GSTR-1A. For the same various advisories have been issued time to time, which are available on GST Portal. GSTN is going to implement Phase-III of Table 12 of GSTR 1 & 1A from April 2025 tax period onwards. Which implies:

1. Table-12 has been bifurcated into two tables namely B2B and B2C, to report these summary of these supplies HSN wise separately in corresponding table.
2. Manual entry of HSN will not be allowed. Taxpayer will be able to choose correct HSN from given Drop down.

# DIRECT TAX



**Tax Collected at source under section 206C in respect of specified goods tax to be collected at specified rate**

**→ NOTIFICATION DATED 22ND APRIL 2025 ISSUED BY CBDT**

## **Background**

Every person, being a seller shall, at the time of debiting of the amount payable by the buyer to the account of the buyer or at the time of receipt of such amount from the said buyer in cash or by the issue of a cheque or draft or by any other mode, whichever is earlier, collect tax at source from the buyer of specified goods.

CBDT added the following goods of the value exceeding 10 lakh rupees for collection of TCS.

TCS Rate: 1%, Effective Date: 22/04/2025

Any seller receiving over ₹10 lakh for the following goods must collect 1% TCS from the buyer at the time of payment.

- any wrist watch
- any art piece such as antiques, painting, sculpture
- any collectibles such as coin, stamp
- any yacht, rowing boat, canoe, helicopter
- any pair of sunglasses
- any bag such as handbag, purse
- any pair of shoes
- any sportswear and equipment such as golf kit, ski-wear
- any home theatre system
- any horse for horse racing in race clubs and horse for polo

**Any expenditure for carrying out any business or profession shall be allowed in computing the income chargeable under the head “Profits and gains of business and profession”**

→ **NOTIFICATION NO. 38/2025 ISSUED BY CBDT ON 23<sup>RD</sup> APRIL 2025**

### **Background**

As provided by Section 37 of the income-tax Act, any expenditure not being expenditure of the nature described in sections 30 to 36 and not being in the nature of capital expenditure or personal expenses of the assessee, laid out or expended wholly and exclusively for the purposes of the business or profession shall be allowed in computing the income chargeable under the head "Profits and gains of business or profession".

It is hereby declared that any expenditure incurred by an assessee for any purpose which is an offence or which is prohibited by law shall not be deemed to have been incurred for the purpose of business or profession and no deduction or allowance shall be made in respect of following penalties paid:

- the Securities and Exchange Board of India Act, 1992 (15 of 1992);
- the Securities Contracts (Regulation) Act, 1956 (42 of 1956);
- the Depositories Act, 1996 (22 of 1996);
- the Competition Act, 2002 (12 of 2003).

### **Changes in Income tax forms for the AY 2025-2026 of which return to be filed in the month of July**

→ **NOTIFICATION NO. 40/ 2025 ISSUED BY CBDT ON 29<sup>TH</sup> APRIL 2025**

As per the details in Notification, here is a detailed analysis of the prima-facie changes in the ITR forms for AY 2025–26 as compared to AY 2024–25.

- **ITR-1 (SAHAJ)**

✓ Now allowed to be used even if there is long-term capital gain (LTCG) under section 112A (until AY 2024-25, ITR-1 couldn't be used at all if any capital gains existed), provided:

- ➡ The LTCG does not exceed ₹1.25 lakh, and
- ➡ There is no loss to be carried forward or set off under the capital gains head

- **ITR-4 (SUGAM)**

- ✓ Similar provision as above included.
- ✓ Permits LTCG under section 112A up to ₹1.25 lakh with no carried forward loss

- **ITR-1 & ITR-4**

- ✓ Expanded disclosure on opting out of new tax regime using Form 10-IEA under section 115BAC (6):
- ✓ If opted out in AY 2024-25, user must declare and optionally continue or reverse that decision.
- ✓ If opting out for the first time in AY 2025-26, they must provide Form 10-IEA acknowledgment details.
- ✓ Additional clarification for late filing of Form 10-IEA.

- **ITR-1 & ITR-4**

- ✓ All deductions (e.g., 80C to 80U) must now be selected from a drop-down in the e-filing utility. Specific clauses and sub-sections must be disclosed.
- ✓ Income under section 89A (retirement accounts maintained abroad) has enhanced fields and relief tracking ☐ ☐.

- **ITR-4**

- ✓ Section 44AD (business): Turnover threshold is now ₹3 crore if digital transactions are ≥95%.
- ✓ Section 44ADA (professionals): Limit enhanced to ₹75 lakh if digital transactions are ≥95%.

- **ITR-1 & ITR-4**

- ✓ All bank accounts held in India during the previous year must be reported (excluding dormant accounts).
- ✓ At least one account must be selected for refund credit.



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