



# PUNJAB STATE TRANSMISSION CORPORATION LIMITED

(Regd. Office: PSEB Head Office, The Mall, Patiala-147001)

Corporate Identity Number: U40109PB2010SGC033814

O/o Chief Financial Officer (Taxation Section), Shakti Sadan, Patiala

www.pstcl.org e-mail: [ao-taxation@pstcl.org](mailto:ao-taxation@pstcl.org)

Taxation Circular 01/2024

To

All Addl. SEs/Sr. Xens/AOs (DDOs)  
Under PSTCL

Memo No: 138-180/CFO/Taxation-11

Dated: 05-03-2024

**Subject: Amendment to Section 43B by Finance Act 2023 - unpaid dues relating to Micro and Small Enterprises as on 31.03.2024.**

Through the Finance Act 2023 a new clause (h) has been added to Sec. 43B of the Income Tax Act and is made applicable from 01.04.2024. Sec. 43B with the amendment reads as under –

***“43B. Notwithstanding anything contained in any other provision of this Act, a deduction otherwise allowable under this Act in respect of —***

***(a) to (g) .....***

***(h) any sum payable by the assessee to a micro or small enterprise beyond the time limit specified in section 15 of the Micro, Small and Medium Enterprises Development Act, 2006, shall be allowed (irrespective of the previous year in which the liability to pay such sum was incurred by the assessee according to the method of accounting regularly employed by him) only in computing the income referred to in section 28 of that previous year in which such sum is actually paid by him.***

***Provided that nothing contained in this section, except the provisions of clause (h), shall apply in relation to any sum which is actually paid by the assessee on or before the due date applicable in his case for furnishing the return of income under sub-section (1) of section 139 in respect of the previous year in which the liability to pay such sum was incurred as aforesaid and the evidence of such payment is furnished by the assessee along with such return.”***

Section 15 of the MSMED Act, reads as under:

***“Sec. 15 – Liability of buyer to make payment.—Where any supplier supplies any goods or renders any services to any buyer, the buyer shall make payment therefor on or before the date agreed upon between him and the supplier in writing or, where there is no agreement in this behalf, before the appointed day:***

***Provided that in no case the period agreed upon between the supplier and the buyer in writing shall exceed forty-five days from the day of acceptance or the day of deemed acceptance.”***

Thus, if any office of PSTCL fails to make payment to any of its supplier, who is registered as a "Micro" or "Small" Enterprise under the MSMED Act, 2006, within the time specified under Section 15 of the MSMED Act, PSTCL would not get the deduction in the year in which purchases have been made or services availed but would get the deduction only in the year of actual payment.

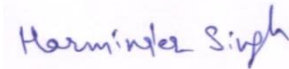
The time limit for payment to Micro and Small Enterprises, as per Section 15 of MSMED Act, is 15 days or to the maximum 45 days if there is a written agreement between the parties. Further, the amendment is applicable to all payables whether against goods or services.

Therefore, it is requested to all DDOs to ensure that the entire amount of unpaid dues relating to Micro and Small Enterprises as on 31.03.2024 must be paid before the due date fixed as per Section 15 of the MSMED Act 2006, so that the expenditure incurred does not get disallowed u/s 43B(h) Income Tax Act for FY 2023-24.

Further, each DDO is requested to supply information in respect of unpaid dues relating to Micro and Small Enterprises as on 31.03.2024 on the Annexure "TA-17" at the time of submission of March Annual Adjustment Account 2024.

This issues with the approval of competent authority.

DA: As above



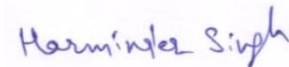
Accounts Officer/Taxation,  
PSTCL, Patiala.

Endst No: 181-221/CFO/Taxation-11

Dated: 05-03-2024

Copy of the above is forwarded to the following for information and further necessary action please.

1. All EICs/Chief Engineers under PSTCL.
2. CAO/F&A, PSTCL Patiala.
3. Company Secretary, PSTCL, Patiala.
4. All Dy.CEs/SEs under PSTCL.
5. All Joint/Dy. CAOs/Dy. CAs/Dy. FAs under PSTCL.
6. All AOs under PSTCL (except DDOs).



Accounts Officer/Taxation,  
PSTCL, Patiala.

Name of Division

Location Code

**Annexure TA-17**

**Detail of Unpaid dues relating to Micro and Small Enterprises as on 31.03.2024  
(as per the requirement of Section 43B(h) of Income Tax Act, 1961)**

Sr. No.	Name of Micro and Small Enterprises	Unpaid amount as on 31.03.2024	Day of acceptance or the day of deemed acceptance	Due date of Payment	Date of payment
1					
2					
3					
4					
5					
<b>Total</b>					

**\*Certify that all the transactions on which amount due to Micro and Small Enterprises is unpaid on 31.03.2024 have been fully disclosed in above statement.**

Signature of Officer Incharge  
(DDO)