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### Disallowance on delayed payment to Micro or Small Enterprises – An interplay between IT Act, 1961 and MSME Act, 2006



NAVNEET SINGAL

Tax litigation advisor and international tax expert, Founder and Managing Partner, EvoBreyta TaxFinTech LLP.

#### Introduction

Prime Minister Sh. Narendra Modi has tweeted, that,

*"Strengthening the MSME sector is strengthening the entire society"* <sup>i</sup>

In his speech at 'Udyami Bharat' programme at Vigyan Bhawan, New Delhi, he mentioned that "We have been taught a verse since childhood, and we have all heard this verse, i.e. "उद्यमेन ही सिध्यन्ति, कार्याणि ना मनोरथे:", that is, success is achieved only with hard work. Nothing happens by just thinking, and there is no shortage of thinkers. If I change the sentiment of this verse slightly in today's context, then I would say that the '**Atmanirbhar Bharat Abhiyan**' will be successful and India will be empowered only with the help of MSMEs. Although you belong to micro, small and medium enterprises, your role is very crucial for the heights that India is set to attain in the 21st century".<sup>ii</sup>

The MSME sector in India generates almost 30% of the country's business<sup>iii</sup> and employs 16,84,18,851 people, demonstrating the sector's significance to the country's economy. Over 99.90% of the 3,63,50,645 MSME enterprises that have registered on the Udyam site are micro and small enterprises ('MSEs').<sup>iv</sup>

The amendment to Section [43B\(h\)](#) of the Finance Act, 2023 is intended to provide shelter to micro and small businesses, which are the cornerstone of a successful, independent India. If payments for the supply of products or services from these enterprises are not made on time, the businesses will not be allowed to deduct expenses related to such supply while calculating their income tax liability. This amendment will improve these enterprises cash flow in addition to requiring businesses to make payments on time.

In this article, the author has attempted to comprehend the relevance of the modifications brought about by the insertion of section 43B(h), the effect on businesses that work with micro and small businesses, and the interplay between the provisions of Income-tax Act, 1961 and MSME Act, 2006. This article contains the follows aspects:

- I. Impact of insertion of Section 43B(h) and its relevance
- II. Micro and Small Enterprises – definition and applicability
- III. Whether the provisions of section 43B(h) applicable to a non-registered enterprise?
- IV. When a payment to MSEs will be considered as delayed payment?
- V. Impact of delayed payments (Except the impact u/s 43B(h) on MSEs)
- VI. Inclusion or exclusion of activities from the MSMED Act, 2006
- VII. Major compliances in respect of MSMEs under MSMED Act, 2006
- VIII. Impact of section 43B(h) under different scenarios
- IX. Conclusion/way forward

## **I. Impact of insertion of Section 43B(h) and its relevance**

The Central Government has introduced section 43B(h) vide Finance Act, 2023, to provide shelter to the MSEs from delayed payments on sale of goods or provision of services by them. Section 43B(h) reads as under:

***"Certain deductions to be only on actual payment.***

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

(a) .....

(a) *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 (27 of 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.*

***(Emphasis Applied)***

The following inference can be withdrawn from the plain reading of the above section, i.e.,

1. Section 43B(h) **applicable only to Micro and Small Enterprises (MSEs) and not to Medium Enterprises** as defined in the MSMED Act, 2006
2. No deduction will be allowed in respect of expenses related to supply from MSEs in the case of delayed payment while computing the income under the head of 'Profit and gains from business and profession (PGBP)'.  
**A payment will be considered delayed in case it is beyond the time-limit specified in section 15 of the MSMED Act, 2006**
3. **A payment will be considered delayed in case it is beyond the time-limit specified in section 15 of the MSMED Act, 2006**
4. In case, an expense has been disallowed u/s 43B(h), it will be allowed in the year in which actual payments have been made.
5. The relief under proviso to section 43B will not be applicable to section 43B(h). Hence, in case of a delayed payment if it has been made before the due date of filing of return of income u/s [149\(1\)](#),

it will be considered as an expense only in the year when actual payment has been made and not in the year in which it has been incurred.

**It is explicitly clear from the insertion of above section that any expense related to supply from MSEs is allowable only when payment of such expenses has been made and not otherwise.**

## **II. Micro and Small Enterprises – definition and applicability**

Section 43B(h) refers to MSMED Act, 2006 for the purpose of definition of Micro<sup>v</sup> and Small<sup>vi</sup> Enterprises. Now let us understand that what is an enterprise and when it can be classified as Micro and Small Enterprise.

### **Definition of Enterprise**

Section 2(e) of MSMED Act, 2006, reads as under:

*(e) "enterprise" means an industrial undertaking or a business concern or any other establishment, by whatever name called, **engaged in the manufacture or production of goods**, in any manner, pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 (55 of 1951) <sup>vii</sup> or **engaged in providing or rendering of any service or services**;*

To be an enterprise under the MSMED Act, 2006, it should consist the following characteristics, i.e.,

- It should be engaged in the manufacture or production of goods, and
- Such goods should pertain to an industry as specified in First Schedule to the Industries (Development and Regulation) Act, 1951
- Or
- It should engage in providing or rendering service or services.

**An enterprise which is engaged in trading activities and not in the manufacturing, producing or service activities can't be considered as an enterprise.**

### **Classification as Micro or Small Enterprise**

Section [Z\(1\)](#) of the MSMED Act, 2006 provides classification of Micro or Small Enterprises. Originally, MSEs were categorized according to investment in plant and machinery (P&M) and equipment, with distinct threshold limits for manufacturing/producing and service-oriented businesses. But following a number of changes and according to the most recent notification<sup>viii</sup>, we can categorize the MSEs as follows:

#### **(1) Micro Enterprises**

- where the investment in P&M or equipment does not exceed 1 crore rupees, **and**
- turnover does not exceed 5 crore rupees

#### **(2) Small Enterprises**

- where the investment in P&M or equipment does not exceed 10 crore rupees, **and**
- turnover does not exceed 50 crore rupees

It can be interpreted that provision of section **43B(h) will be applicable on those enterprises whose turnover is less than Rs.50 Crores and investment in P&M is less than Rs.10 Crores.**

How to calculate the amount of investment in the P&M and Equipment

- (a) The calculation of investment in P&M or equipment is linked to the Income Tax Return (ITR) of the previous years filed under the Income Tax Act, 1961.
- (b) In case of a new enterprise, where no prior ITR is available, the investment will be based on self-declaration of the promoter of the enterprise and such relaxation shall end after the 31st March of the financial year in which it files its first ITR.
- (c) The expression 'P&M or equipment of the enterprise, shall have the same meaning as assigned to the plant and machinery in the Income Tax Rules, 1962 framed under the Income Tax Act, 1961 and shall include all tangible assets (other than land and building, furniture and fittings).
- (d) The purchase (invoice) value of a plant and machinery or equipment, whether purchased first hand or second hand, shall be taken into account excluding Goods and Services Tax (GST), on self-disclosure basis, if the enterprise is a new one without any ITR.
- (e) The cost of certain items specified in the Explanation I to sub-section (1) of section 7 of the Act, i.e., investment in plant and machinery related to the cost of pollution control, research and development, industrial safety devices shall be excluded.

How to calculate the amount of Turnover

- (a) Exports of goods or services or both, shall be excluded while calculating the turnover of any enterprise whether micro, small or medium, for the purposes of classification.
- (b) Information as regards turnover and exports turnover for an enterprise shall be linked to the Income Tax Act or the Central Goods and Services Act (CGST Act) and the GSTIN.
- (c) The turnover related figures of such enterprise which do not have PAN will be considered on self-declaration basis for a period up to 31st March, 2021 and thereafter, PAN and GSTIN shall be mandatory.
- (d) The exemption from the requirement of having GSTIN shall be as per the provisions of the Central Goods and Services Tax Act, 2017<sup>ix</sup>

### III. Whether the provisions of section 43B(h) applicable to a non-registered enterprise?

Section 8(1) of the MEMED Act, 2006, specifies that

#### (1) Any person who intends to establish,

- (a) a micro or small enterprise, may, **at his discretion**; or
- (b) a medium enterprise.....

shall file the memorandum of micro, small or, as the case may be, of medium enterprise with such authority as may be specified by the State Government under sub-section (4) or the Central Government under sub-section (3)

Further, the clause 2 of the notification dated: 26.06.2020<sup>x</sup>, also requires that any person who **intends to establish** a micro, small or medium enterprise **may** file Udyam Registration online in the Udyam Registration portal, based on self-declaration with no requirement to upload documents, papers, certificates or proof.

The section clarifies that for the establishment of an enterprise, it is discretionary for a micro and small enterprise to file memorandum with Udyam Portal. The word 'may', used in the notification (*supra*) also indicate that it is not mandatory for an enterprise to get registered to establish itself an MSME.

**Hence, it can be interpreted that even though an enterprise does not get itself registered but falls within the threshold limit as per classification discussed above, it can be considered as an**

## MSE.

However, for the purpose of disallowance u/s 43B(h) of the IT Act, we need to go a little bit deep in the section 15 of the MSMED Act, 2006 which reads as under:

*"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: .....*

"

Section 15, talks about the delay in payment to a supplier, where section 2(n) defines supplier as under,

*"(n) "supplier" means a **micro or small enterprise, which has filed a memorandum with the authority referred to in sub-section (1) of section 8, and includes, —***

*....."*

On composite reading of above provisions, it can be interpreted that even though an enterprise is not required to get itself registered for the purpose establishing itself as a MEME, however, for the purpose of applicability of section 15 related to time-lime it should be a supplier and as per the definition of supplier, it should be a micro or small enterprise, which has filed a memorandum with the authority. **Hence, the provisions of section 43B(h) is applicable only in respect of delayed payment to a registered micro or small enterprise.**

## IV. When a payment to MSEs will be considered as delayed payment?

Section 43B(h) is applicable to any sum payable by the assessee to a micro or small enterprise beyond the time limit specified in section 15 of MSMED Act, 2006.

**Section 15 of the MSMED Act, 2006** mandates payments to MSEs;

- (i) In case, there is **no written agreement- Before the appointed day Clause (b) of section 2 of MSMED Act, 2006 defines that an appointed day means a day following immediately after the expiry of the period of 15 days from the day of acceptance or the day of deemed acceptance of any goods or any services by a buyer from a supplier.**
- (ii) In case, -there is **a written agreement:** Date as agreed upon between the buyer and supplier, in no case the period agreed upon between the supplier and the buyer in writing shall exceed **45 days from the day of acceptance or the day of deemed acceptance**

Further, explanation to section 2(b) defines, that-

The day of **acceptance** means,

- (a) the day of the actual delivery of goods or the rendering of services; or
- (b) where any objection is made in writing by the buyer regarding acceptance of goods or services within 15 days from the day of the delivery of goods or the rendering of services, the day on which such objection is removed by the supplier;

The day of **deemed acceptance** means,

where no objection is made in writing by the buyer regarding acceptance of goods or services within 15 days from the day of the delivery of goods or the rendering of services, the day of the actual delivery of goods or the rendering of services.

**The inference can be withdrawn from the above discussion, that in case of a written agreement it will be 45 days and in case there is no written agreement it will be 15 days from the date of delivery of goods or rendering of services,**

**Further, in case, there is any objection regarding acceptance of goods and services, the objection should be raised within 15 days of delivery of goods and services. In such a case, the day of delivery of goods or services will be the day on which such objection is removed by the supplier.**

## **V. Impact of delayed payments (Except the impact u/s 43B(h) on MSEs)**

### **(a) Interest on delayed payments**

Section 16 of the MSMED Act, 2006, prescribe that Where any buyer fails to make payment of the amount to the supplier, as required under section 15, the buyer shall, notwithstanding anything contained in any agreement between the buyer and the supplier or in any law for the time being in force, be liable to pay compound interest with monthly rests to the supplier on that amount from the appointed day or, as the case may be, from the date immediately following the date agreed upon, **at 3 times of the bank rate notified by the Reserve Bank.**

### **(b) Half yearly return to Ministry of Company Affairs on delayed payments [xi](#)**

All companies who get supplies of goods or services from micro and small enterprises and whose payments to micro and small enterprise suppliers exceed 45 days from the date of acceptance or the date of deemed acceptance of the goods or services as per the provisions of the Act, shall submit a half yearly return to the Ministry of Corporate Affairs stating the following:

- a. The amount of payments due; and
- b. The reasons of the delay.

### **(c) Requirement to specify unpaid amount with interest in the annual statement of accounts:**

Section [22](#) of the MSMED Act, 2006, specify that where any buyer is required to get his annual accounts audited under any law for the time being in force, such buyer shall furnish the following additional information in his annual statement of accounts, namely:

- (i) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;
- (ii) the amount of interest paid by the buyer in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;
- (iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;
- (iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and
- (v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure.

**To incorporate the above provisions related to disclosure requirement for a company, the Ministry of Company Affairs has issued the Notification dated:16.11.2007 [xii](#) which has been further amended by notification dated:04.09.2015 [xiii](#) .**

#### (d) Interest not to be allowed as deduction from income

Notwithstanding anything contained in the Income-tax Act, 1961 the amount of interest payable or paid by any buyer, under or in accordance with the provisions of this Act, shall not, for the purposes of computation of income under the Income-tax Act, 1961, be allowed as deduction.

#### VI. Inclusion or exclusion of activities from the MSMED Act, 2006

The Ministry of micro, small and medium enterprises has issued certain notifications<sup>xiv</sup> in respect of inclusion or exclusion of certain activities from the scope of MSMED Act, 2006. A gist of the same can be described as below:

<b>NIC Code</b>	<b>Activity not to be included</b>
01	Crop, animal production, hunting and related activities
02	Forestry and logging
03	Fishing and aquaculture
45	<b>Wholesale and retail trade</b> and repair of motor vehicle and motorcycles
46	<b>Wholesale trade</b> except of minor vehicles and motor cycles
47	<b>Retail Trade</b> Except of Motor Vehicles and motor cycles
97	Activities of households as employees for domestic personnel
98	Undifferentiated goods and services producing activities of private households for own use
99	Activities of extraterritorial organization and bodies
92	<b>Gambling and betting activities</b> <sup>xv</sup>
<b>NIC Code</b>	<b>Some Sub-Activities of a NIC code to be included (even though other activities of that code is not included as mentioned in the above table)</b>
	<b>Sub-activities under Main NIC Code 01</b>
01462	Production of eggs
01463	Operation of poultry hatcheries
01492	Bee- keeping and production of honey and beeswax
01493	Raising of silk worms, production of silk worm cocoons
01612	Operation of agricultural irrigation equipment
01620	Support activities for animal production
01631	Preparation of crops of primary markets i.e. cleaning, trimming, grading disinfecting
01632	Cotton ginning, cleaning and bailing
01633	Preparation of tobacco leaves
01639	Other post-harvest crop activities, n.e.c.



01640	Seed processing for propagation
	<b>Sub-activities under Main NIC Code 45</b> <a href="#">xvi</a>
45200	Maintenance and repair of motor vehicles
45403	Maintenance and repair of motor cycles, mopeds, scooters and three wheelers

## VII. Major compliances in respect of MSMEs under MSMED Act, 2006

### (a) Change in the category upward/downward- update of information and transition period in classification [xvii](#)

- (i) An enterprise having Udyam Registration Number shall update its information online in the Udyam Registration portal and failure to update the relevant information will render the enterprise liable for suspension of its status.
- (ii) Based on the information furnished or gathered from Government's sources including ITR or GST return, the classification of the enterprise will be updated.
- (iii) In case of graduation (from a lower to a higher category) or reverse-graduation (sliding down to lower category) of an enterprise, a communication will be sent to the enterprise about the change in the status.
- (iv) In case of an upward change/graduation, an enterprise shall continue to avail of all non-tax benefits of the category (micro or small or medium) it was in before the re-classification, for a period of 3 years from the date of such upward change. [xviii](#)
- (v) In case of reverse-graduation of an enterprise, the enterprise will continue in its present category till the closure of the financial year and it will be given the benefit of the changed status only with effect from 1st April of the financial year following the year in which such change took place.

### (b) Overriding effect of the provision of the MSMED Act, 2006

The provisions of sections [15](#) to [23](#) shall have effect notwithstanding any thing inconsistent therewith contained in any other law for the time being in force.

### (c) Registration under Trade Receivables Discounting System Platform (TRDSP) [xix](#)

All companies with a turnover of more than Rs. 500 crore and all Central Public Sector Enterprises shall be required to get themselves on boarded on the TRDSP, set up as per the notification of the Reserve Bank of India.

## VIII. Impact of section 43B(h) under different scenarios

### (i) Whether section 43B(h) is applicable in respect of purchases from traders?

Enterprise means an industrial undertaking or a business concern or any other establishment, engaged in the manufacture or production of goods or engaged in providing or rendering any service or services". It means **an enterprise that is engaged in trading is not covered by the term "enterprise"** and thus section 43B(h) is not applicable concerning purchases from traders.

Notification Dated:02.07.2021 [xx](#) which allows wholesale and retail traders to get register on Udyam Registration Portal is restricted to the benefits related to Priority Sector Lending Only. The following activities has been allowed for the purpose of priority sector lending:



NIC Code	Activity not to be included
45	Wholesale and retail trade and repair of motor vehicle and motorcycles
46	Wholesale trade except of minor vehicles and motor cycles
47	Retail Trade Except of Motor Vehicles and motor cycles

It has been further clarified by the government vide Notification Dated:01.09.2021<sup>xxi</sup> **that other benefits, including provisions of delayed payments as per MSMED Act, 2006, are excluded and not available to a trader.**

**(ii) In case a business is involved in services as well as trading activities whether it can be considered for the purpose of MSME?**

For the purpose of the definition of enterprise, the major activity of the business is to be considered. In case, the major activity of a business is manufacturing, production or services, it will fall within the definition of enterprise and will be a MSME in case fulfil the classification criteria.

**(iii) Whether a proprietorship concern can be an enterprise?**

Yes, a proprietorship concern can be an enterprise. The proprietor may use his or her PAN for registration of the enterprise in the Udyam Registration portal and for all other types of enterprises PAN shall be mandatory.<sup>xxii</sup>

**(iv) What will happen, if payment to MSE enterprises is not made till 31st March of the FY?**

The amount will be disallowed and become taxable income for the assessee in that financial year. However, the assessee can claim a deduction in the previous year when the payment is made.

It is further clarified that in case the payment is outstanding as on March 31 and payment is made within the time limit as described in Section 15(1) of the MSMED Act, 2006, it will be allowable, e.g., in case the buyer has received the goods on March 25 and made the payment on April 5, the o/s on March 31 related to such transaction will be allowed as the payment has been made in time.

**(v) Whether the provision apply to the taxpayers who opt for presumptive income determination under section 44AD?**

The disallowance contained in section 43B will not apply for the reason that the presumptive income determination subsumes "anything contrary contained in sections 28 to 43C". Thus, taxpayers having turnover up to Rs.2 crores may take shelter by opting for section 44AD provisions.

**(vi) Whether the provision also applicable to the amount due before 01.04.2023?**

No, the provisions shall not apply for any amount payable before 01.04.2023.

**(vii) If a Trader is registered in MSME and is purchasing material from an MSME registered Dealer or Manufacturer then the purchase Trader is covered under this provision?**

There is no such exclusion of MSME buyers from clause (h) of section 43B of the Act.

**(viii) How a buyer would know the status of the supplier under the MSMED Act unless informed by it or inquired by the buyer?**

The MSEs are required to mention/ get printed on their letterheads, supply order sheets, invoices, bills, and other relevant documents, the Entrepreneurs Memorandum (EM) Number so that there always remains an identification of being an MSE supplier<sup>xxiii</sup>. Further, the verification can be done at verification link at the Udyam Portal.

(ix) **What if the expenses for which the payment is due are not debited to the P/L account and are capitalized in the books as an asset?**

Section 43B(h) will not impact those assesseees who are availing goods/services of the SMEs, not debited to the P/L account but capitalized as an asset in the financials. This provision is applicable only on items that are to be claimed as a deduction in the computation of business income. However, its applicability can't be denied in respect of allowance of depreciation in respect of such capital assets.

(x) **Applicability of section 43B(h) on the retention money kept by the buyer.**

A retention is money withheld by one party in a contract to act as security against incomplete or defective works. Retainage is a portion of the agreed upon contract price deliberately withheld until the work is complete to assure that contractor or subcontractor will satisfy its obligations and complete a construction project.<sup>xxiv</sup>

As the money retained by the buyer is against some goods or services which are still not approved. Hence, section 43B(h) is not applicable on the retention money.

(xi) **Whether works contracts come under MSMED Act, 2006?**

Works contracts are different from usual commercial contracts. The Supreme Court, in the case of **Larsen & Toubro Ltd. v. CCE**<sup>xxv</sup> noted that a 'works contract' is a "separate species of contract, distinct from contracts for services simpliciter recognized by the word of commerce and law".

**The works contract is not amenable to the MSMED Act, 2006 due to its indivisibility and composite nature.** This leads to a pragmatic difficulty in the application of the Act to a works contract. As held in the **Principal Chief Engineer v. Manibhai and Bros (sleeper)**<sup>xxvi</sup>, the Supreme Court upheld the Gujarat High Court's judgement on the interpretation of Section 18 of the Act. The HC held that since the Act is a special legislation and has an overriding effect, the parties governed by it are bound to follow the mechanism provided u/s 18 of the Act.

## IX. Conclusion

Dhirubhai Ambani had quoted long back that, "***the success of young entrepreneur will be the key to India's transformation in the new millennium.***"

Entrepreneur means Udyami and the effort of the government to bring as many enterprises as possible under the shelter of Udyami registration program can't be denied. Introduction of section 43B(h), is an effort in the line of such efforts to provide shelter to small enterprises so that they can get the payments for their suppliers within time. In the light of the discussion above, we can conclude the following points in respect of applicability of section 43B(h), i.e., section 43B(h) is;

- (a) not applicable to Medium Enterprises
- (b) not applicable to trading activities even though the buyer has received supplies from a person who is registered under the MSED Act, 2006
- (c) applicable only to those suppliers who have the Udyam Registration.
- (d) not applicable to such supplies for which approval is still pending for goods and services.
- (e) not applicable to works contracts and list of those activities which are excluded by specific notifications issued by the Ministry of Micro, small and Medium Enterprises.
- (f) not applicable to any amount related to payable on or before March 31, 2023.

Further, delay in payment to MSEs not only disallow the expenditure related to such supplies till the payment is made but also disallow the interest amount related to such delays for ever under the Income-tax Act, 1961. Section 43B(h)'s severe compliance requirements and lack of clarity have caused significant

disruptions to the business community. Owing to its application to a large number of transactions, non-compliance may result in a sizable amount of disallowance. The author worries that the businesses may find it difficult to comply with the change due to this uncertainty, which will undermine the main objective of shielding the MSEs from underfunding and delayed payments

Way Forward:

Even though, the government has tried its best to clarify the provisions of these acts through number of notifications and OMs, however, due to involvement of multiple acts and type of business activities, there are number of challenges in practical implication of section 43B(h) which can be described as below. The government can provide clarification in respect of these issues and can help in smooth implication of the provision u/s 43B(h).

- (a) The CBDT should provide a list of MSEs on whom this clause is applicable. This list can be considered as on the last day of the preceding year.
- (b) It can be specifically clarified that disallowance will not be applicable on trading activities even though these are being provided by MSEs.
- (c) It should be specifically mentioned by the government that provisions of 43B(h) are applicable only to registered enterprises.

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[i.](https://twitter.com/PIB_India/status/1542469084570583040) [https://twitter.com/PIB\\_India/status/1542469084570583040](https://twitter.com/PIB_India/status/1542469084570583040)

[ii.](https://www.youtube.com/watch?v=uZRCxBYpm4o) <https://www.youtube.com/watch?v=uZRCxBYpm4o>

[iii.](https://www.youtube.com/watch?v=uZRCxBYpm4o) <https://www.youtube.com/watch?v=uZRCxBYpm4o>

[iv.](https://udyamregistration.gov.in/Government-India/Ministry-MSME-registration.htm) <https://udyamregistration.gov.in/Government-India/Ministry-MSME-registration.htm> -  
reference taken on 04.02.2024, 7:30 AM

[v.](#) Sub-clause (e) to Explanation 4 of Section 43B of Income-tax Act, 1961.

[vi.](#) Sub-clause (g) to Explanation 4 of Section 43B of Income-tax Act, 1961.

[vii.](https://www.indiacode.nic.in/bitstream/123456789/6826/1/a-1_-_industries_act1951.pdf) [https://www.indiacode.nic.in/bitstream/123456789/6826/1/a-1\\_-\\_industries\\_act1951.pdf](https://www.indiacode.nic.in/bitstream/123456789/6826/1/a-1_-_industries_act1951.pdf)

[viii.](#) Notification No. F. No. 21(5)/2019-P&G/Policy (Pt-IV), Dated:26.06.2020

[ix.](#) Notification No. F.No.16/4/2019/P-P & G/Policy (Pt 1), Dated:05.03.2021

[x.](#) Notification No. F. No. 21(5)/2019-P&G/Policy (Pt-IV), Dated:26.06.2020

[xi.](#) Notification No. F.No.4/3(1)/2018-P&G/Policy, Dated:02.11.2018

[xii.](#) Notification No. [F.No. I/5/2006/CL V], Dated:16.11.2007

[xiii.](#) Notification No. [F.No. I/19/2013/CL V], Dated: 04.09.2015

[xiv.](#) OFFICE MEMORANDUM, F. No. UAM/MC/01I2017-SME, Dated: 27.06.2017

[xv.](#) OFFICE MEMORANDUM, F. No. 5/2(1)/2020/E-P&G/Policy, Dated: 01.12.2020

[xvi.](#) OFFICE MEMORANDUM, F. No. 5/2(1)/2020/E-P&G/Policy, Dated: 01.12.2020

[xvii.](#) Notification No. F. No. 21(5)/2019-P&G/Policy (Pt-IV), Dated:26.06.2020

[xviii.](#) Clause (v) modified by Notification No. F. No. P-05/1/2022-GEN, Dated:18.10.2022

[xix.](#) Notification No. F.No.16/8/2018-P&G/policy, Dated:02.11.2018

[xx.](#) Office Memorandum No. 5/2(2)/2021-E/P & G/Policy, Dated:02.07.2021

[xxi.](#) Office Memorandum No. 1/4(1)/2021-E/P & G/Policy, Dated:01.09.2021

[xxii.](#) Notification No. F.No.16/4/2019/P-P & G/Policy (Pt 1), Dated:05.03.2021

[xxiii.](#) Advisory issued by the Govt. vide Office memorandum No. No.2(18)/2007-MSME (pol), dt. 26-08-2008

[xxiv.](#) A-C Construction, Inc. v. Bakke Corp., "956 P.2d 219", 226 (Or. Ct. App. 1998).

[xxv.](#) [\[2007\] 8 STT 403 \(SC\)](#)

[xxvi.](#) First Appeal No. 637 of 2016, dated 20-6-2016.