

No.: PMBI/Finance & Accounts/2024-25/01

Date: 05/06/2024

**CIRCULAR**

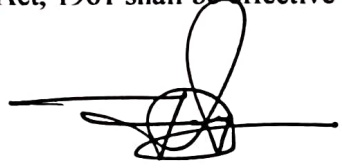
**Subject: Applicability & Adoption of Section 43B(h) of Income Tax Act, 1961**

In accordance with the insertion of Section 43B(h) by the Finance Act, 2023 which stipulates that any sum payable by the assessee to a Micro & Small Enterprise beyond the time limit specified in Section 15 of the MSMED Act shall be allowed as a deduction only in the previous year in which the sum has been actually paid (irrespective of the accounting method employed) and the payment timeline of 45 days for Micro and Small Enterprises (MSEs) as per Section 15 of MSMED Act, the "day of acceptance" and "day of deemed acceptance" will be the date when PMBI receives the Standard Quality Report for Drug/Medicine/Surgicals & Medical Devices/other items from empanelled NABL accredited Laboratories against the batches supplied by the manufacturers/suppliers.

2. Further, If the date of receiving report is a non-working day / holiday, the "day of acceptance" may be the next working day and If PMBI receives Pass report for a supplied batch from NABL Laboratories but if there are any shortcomings in required documents which have been communicated in written to the suppliers, then the "day of acceptance" will be the day on which the shortcomings are fulfilled by suppliers.

3. Accordingly, all suppliers are directed to ensure submission of appropriate documents during supplies/delivery at PMBI warehouses.

4. Applicability & Adoption of Section 43B(h) of the Income Tax Act, 1961 shall be effective from 01/04/2024 from assessment year (AY) 2024-25.

For, 

General Manager (Finance & Admin.)  
For and on behalf of PMBI  
Ph: 011-49431800

To,

All PMBI Officials

Copy to: (For kind information)

1. CEO, PMBI
2. GM, Finance & Admin
3. DGM, Procurement & Quality
4. DGM, Logistic & Supply Chain