

DAHOTRE & DAHOTRE

Chartered Accountants

Knowledge and Development Committee

Newsletter

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Editor-in-Chief's Message

Hello readers!

Welcome to the 4th Newsletter Edition of 2024.

In this issue, we will discuss Case study of Transforming from printing to packaging business. Also we will discuss Pre Budget Expectation from all sectors of economy and we will know regarding Capital Gain Accounting System.

Enjoy Reading!

Trupti Narawade
Editor-in-chief

Team's Message

"It's the long history of human kind that those who learned to collaborate and improvise most effectively have prevailed."

Aaryan Paralikar
(Article Assistant)

Short Updates:

General

- Interim Budget 2024: Union Finance Minister Nirmala Sitharaman is all set to read out the Interim Budget 2024 in the Parliament on February 1 at 11 am. The Interim Budget is presented by the outgoing government ahead of the Lok Sabha polls in the Budget session. The comprehensive Budget is then presented by the new government after winning the Lok Sabha elections. FM Sitharaman's Interim Budget is expected to talk about the government's achievements since 2014 and will look ahead at Amrit Kaal of 2047.

ROC

- Paytm will take steps immediately to comply with the RBI's directions, the fintech company said in a statement on Thursday. As a result, it expect

- Under the deal, Viacom18, the broadcast division of Ambani's Reliance Industries will merge with Disney India businesses

Indirect Taxes

- All Registered Taxpayers are required under the provisions of CGST Act, 2017 and the corresponding Rules framed thereunder to furnish details of their bank account/s within 30 days of the grant of registration or before the due date of filing GSTR-1/IFF, whichever is earlier.
- Taxpayers are therefore advised to promptly furnish their bank account details, who have not provided it so far if 30 Days period is shortly going to expire to avoid disruption in business activities and the subsequent suspension of GSTIN.

01 Business Consultancy Case Study: Transitioning from printing to packaging

Gayatri Limaye

Introduction:

Commercial printing is a term that refers to printing for businesses. Printing huge quantities of content or material ranging from catalogues, brochures to books is an example of Commercial Printing. In recent times, multiple companies in the printing industry have diversified into packaging industry. The main reason for this is the evident downfall of the printing industry due to digitization and a boom in e-commerce leading to demand in packaging. This diversification seems plausible as printing on paper and paperboards for packaging is doable with the machinery used in commercial printing.

Situations:

The printing industry is growing at the rate of 2.77%. The market is not very attractive to stay put in the printing industry, which explains why the companies in printing industries are looking for diversification. Our client is engaged in Commercial Printing, Retail Products and Promotional Items. They are one of the leading manufacturers of temporary tattoos, stickers and paper-based promotional items in India’.

Complication:

Due to boom in digitization during covid times, the printing business is seeing a downfall. There are a lot of digital substitutes to print media. Our client, engaged in printing industry, is facing a decline in sales. Hence, they are looking for ways to utilize their existing setup and improve their turnover.

Question:

How to improve the business model to enter into a more promising industry by utilizing the same machine capacity (if insufficient capacity, then outsourcing to be considered) and without any additional investment?

Answer:

Our team started by researching and analysing what other industries our client can enter by utilizing their current setup. We studied these industries and came up with a roadmap for our client to follow in order to increase their revenue.

The most likely industry to enter was the paper and paperboard packaging industry. The CAGR of the paper and paperboard packaging industry in India is increasing by 6.47%. The CAGR for food and beverages packaging market is increasing at 12.07%. The personal care packaging market is growing at 10.40% CAGR, whereas the retail packaging market has a CAGR of 18.85%. The retail packaging market and food and beverages packaging market is very attractive for diversification from the printing industry.

Exhibit 8 – Value of printing industry and CAGR

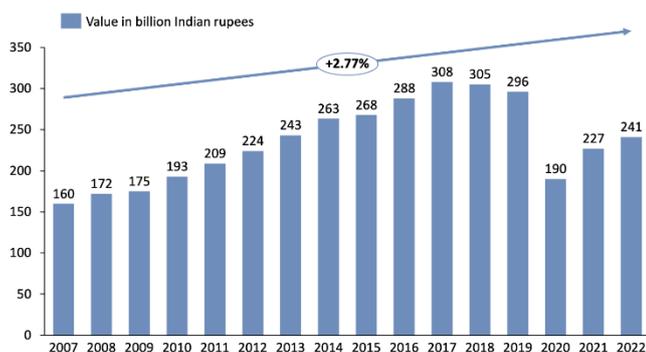
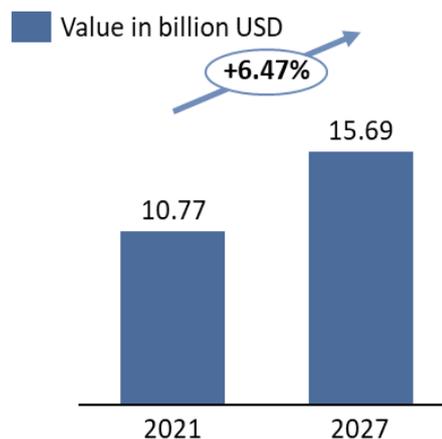


Exhibit – Size of paper and paperboard packaging in India



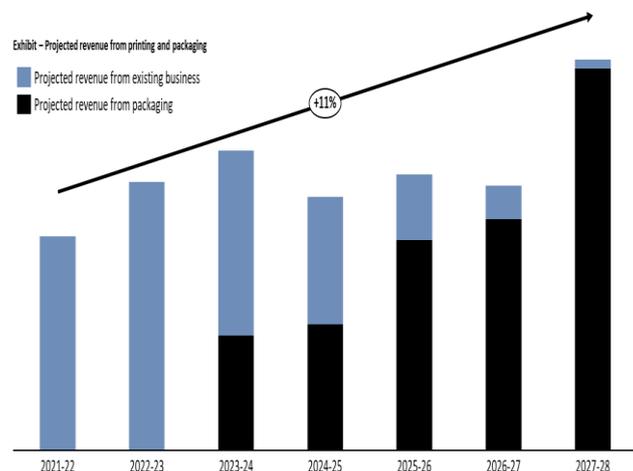
Majority of the peers were shifting from printing to packaging, with a focus on printed paper cartons for food packaging, followed by gift boxes. Based on the demand in the market and our client's capabilities, the first step was to start with providing paper packaging to local, small to medium size, quick service restaurants.

For personal care products paper packaging, targeting the online aggregators was a lucrative option. Whereas, in retail packaging, it was evident to focus on small scale or home-based sellers of sweet and savory snacks to help them build their brand image in the market by using attractive paper packaging. Apparel, Food packaging, Hospitality and FMCG are the top 4 industries served by peers. Customization, quality, eco-friendly products and timely delivery are a few of the common elements of all companies turning to the paper-based packaging industry.

The client's setup was analyzed to gauge the possible capacity that can be dedicated for the production of new products. A phase wise plan was prepared to ensure smooth transition which would protect their existing business and help them add a new one.

Impact:

Execution of the phase wise plan projected a 35% growth rate in the five years under consideration. The projected cash flow indicated the expected capital structure changes in the form of debt and equity. The ideal adherence of the plan led to an 11% return on capital employed from the second year onwards, which indicated financial feasibility of the proposed plan. The protected revenue from existing business and the addition of the packaging revenue, projected a growth of 11% year on year, for the next five years.



Conclusion:

The decline of the printing industry is evident. Paper-based packaging is an industry that is allied to printing and hence a chance of growth for the players devoted in printing industry. Companies from printing industry already have a printing set up and not much additional investment is needed for them to start manufacturing paper-based packages.

Read next: Pre Budget Expectation

02 | General

Pre-Budget Expectation

Shubham Nalawade

What is 'Union Budget'?

According to Article 112 of the Indian Constitution, the Union Budget of a year, also referred to as the annual financial statement, is a statement of the estimated receipts and expenditure of the government for that particular year.

Revenue budget:

Revenue budget includes the government's revenue receipts and expenditure. There are two kinds of revenue receipts - tax and non-tax revenue. Revenue expenditure is the expenditure incurred on day to day functioning of the government and on various services offered to citizens.

Capital Budget:

Capital Budget includes capital receipts and payments of the government. Loans from public, foreign governments and RBI form a major part of the government's capital receipts. Capital expenditure is the expenditure on development of machinery, equipment, building, health facilities, education etc.

However, this time the budget will be an interim one, instead of a full union budget. Let's understand what is an interim budget and how it is different from a full union budget.

The Interim Budget serves as a temporary framework for managing provisional expenditures over a shorter duration, usually a few months, until a new government takes office later in that financial year. Unlike a usual full Union Budget that is presented on most years, an interim budget tends to happen in the years in which a country is going for general elections. On the other hand, a full union budget is the one that is announced for that entire upcoming financial year.

Income side of Budget:

As the eagerly awaited Interim Budget 2024 approaches, individuals and taxpayers hold high expectations for positive changes in income tax policies. This article presents a comprehensive wishlist focusing on crucial aspects like standard deduction, metro city definitions, LTCG tax rates, basic exemption limits, Chapter VI-A deductions, and home loan interest deductions.

Standard Deduction Limit:

Standard Deduction Limit Salaried individuals have long desired an increase in the Standard Deduction limit. Currently, the actual expenses faced by salaried individuals far exceed the existing limit of INR 50,000. While some advocate for raising it to INR 1 lakh, my preference is for it to be a certain percentage of the salary. For instance, 10% of the Annual Salary or 30-40% of the Basic Salary, or any other relevant percentage. This approach would provide higher relief through the standard deduction to individuals with higher salaries.

Metro City Definition:

Metro City Definition The definition of a metro city becomes relevant during HRA calculation u/s 10(13A). It is one of the most important deductions that the salaried class enjoys. A metro city is currently defined to include only 4 cities: Delhi, Mumbai, Chennai, and Kolkata. Nowadays, rentals have also increased steadily in other major cities like Bangalore, Hyderabad, Pune, Gurugram, Noida, etc. The definition of a metro city should be amended to include other cities also so that people accommodating there can also enjoy a higher limit of 50% during HRA calculation.

LTCG Tax Rate:

LTCG Tax Rate Currently, the LTCG tax rate u/s 112A is 10% of gains exceeding INR 1 lakh. To encourage long-term investments in the capital markets and make the markets less volatile, the government should consider reducing the tax rate to 5% instead of 10%. Simultaneously, it can amend the holding period of long-term capital assets in the case of listed equity shares to be 2 years instead of 1 year (presently). This

move could result in making markets less volatile. Moreover, more people would become investors in the markets rather than traders, leading to benefits for both the Capital/Equity markets and the Indian Economy.

Basic Exemption Limit (BEL):

Basic Exemption Limit (BEL) Currently, BEL under the old regime is INR 2.5 lakhs. For many years, this limit has not been increased. Considering the present scenarios, the government should increase this limit to INR 4 lakhs or 5 lakhs, or at the very least, it should be matched with the new regime limit of INR 3 lakhs.

Deductions of Chapter VI-A:

Deductions of Chapter VI-A. The 80C deduction is the most preferred investment option among taxpayers, but investments eligible under this section carry a maximum cap of INR 1.5 lakhs. It should be increased to a minimum of INR 2 lakhs. The deduction limit for medical premium u/s 80D should also be increased to INR 50,000 from the present limit of INR 25,000 (other than for parents) as nowadays medical premiums and expenses have increased significantly, and it is a necessity for all of us to take medical policies for ourselves and our family members. Under 80EEB, a deduction is provided for interest on a loan for the purchase of Electric Vehicles (EVs) for loans sanctioned between 01/04/2019 to 31/03/2023. Considering the rising demand for EVs in India and to boost the EV industry, loans availed up to the 31st March 2026 period for purchasing EVs should be considered eligible for interest deduction under this section.

Interest on Home Loan Deduction:

Interest on Home Loan Deduction The present cap of INR 2 lakhs is now insufficient for taxpayers considering the current outlook for home loans. The cap should be increased to INR 3 lakhs to provide relief for high-interest expenses incurred.

Tax on Dividends:

Tax on Dividends Distributed by Domestic Companies to be Restricted to 20% Under the existing provisions of the IT Act, there is a double taxation of income in

case of companies – firstly the companies pay corporate tax and then the shareholders pay tax on the dividends. In case of resident individual shareholders, the tax on dividends can be as high as 35.88%. On the other hand, non-residents are liable to tax on dividends @ 20% (plus surcharge and cess) which gets further lowered by Double Tax Avoidance Agreements to 5%-15%. In order to reduce the cascading effect of double taxation, it is expected that the maximum tax on dividends distributed by domestic companies in the hands of resident shareholders be limited to 20% (plus surcharge and cess).

Expenditure Side of budget:

- Energy sector expects fund allocation for cleaner fuels, green hydrogen
- India's energy sector is expecting the upcoming budget to keep cleaner fuels such as green hydrogen and natural gas at the forefront.
- The oil and gas sector expects some reforms for city gas distribution (CGD) players to boost the consumption of natural gas in the country.
- The power sector expects announcements to encourage the adoption of renewable energy.
- Evera CEO urges Budget to sustain EV momentum:
- Experiencing a surge in EV demand across the segments of hybrid cars, EV battery demand, development, and regulatory movement, the Indian EV industry will move towards its PLI-centred goals of becoming a self-sufficient supply mammoth for 2, 3, and 4-wheeler electric vehicles.
- The budget 2024 should continue the existing concessional rate of import duties on lithium-ion cells, to reduce the capex cost of purchasing an EV.
- Major automotive players are strategically investing in India's electric vehicle market, with plans for production, substantial investments, and collaborations to establish a robust electric mobility ecosystem. This shall incentivize foreign OEM players to produce in the Indian market, positively raising competition for local manufacturers.

Interim Budget may see measures to boost consumption demand, push agriculture economy:

Finance Minister Nirmala Sitharaman is expected to intensify measures to stimulate consumption and support the rural economy while maintaining control over inflation in her upcoming presentation of the sixth consecutive budget on February 1.

Experts said one way to boost consumption is to put more money in the hands of people, and one of the possible ways of doing it is by reducing the tax burden through tinkering with tax slabs or increasing the standard deduction.

Another proposal is related to increasing the funds under the Rural Employment Guarantee Scheme - MGNREGA and higher pay out for farmers. Women and marginalised communities may get additional sops as part of Sitharaman's effort to boost consumption ahead of the general elections, experts said.

Doubling of Ayushman Bharat insurance cover to INR 10 Lakh per family expected:

The Indian government is on the brink of a transformative shift in its flagship health scheme, Ayushman Bharat, with plans to potentially double insurance cover under the Pradhan Mantri Jan Arogya Yojana (PM-JAY) to INR 10 lakh from INR 5 lakh.

This move aims to include coverage for critical ailments like cancer and transplants, acknowledging the increasing financial burden associated with these medical conditions.

Ayushman Bharat, launched in 2018, has already impacted the lives of 55 crore individuals, and the proposed extension envisions doubling beneficiaries to 100 crore individuals, extending benefits to various sectors. The ambitious plan requires a significant financial commitment, with an estimated additional allocation of INR 12,076 crore per annum, potentially doubling the budget to around Rs 15,000 crore by the financial year 2025.

Read next: CAPITAL GAINS ACCOUNTS SCHEME (CGAS)

03 | Direct Tax

Capital Gains ACCOUNTS SCHEME (CGAS)

Vinod Jangid

Introduction:

The government, in order to encourage reinvestment of the capital gains made on the sale of capital assets by the seller, has provided with relief from capital gains tax if such capital gain is re-invested in certain specified assets within a specified time limit under section 54 to 54GB.

There may be instances where the taxpayer is unable to re-invest the capital gains in modes as specified in the Act before the filing of return of income or before the expiry of time to invest the gains. To address this, in order to enable the taxpayer to park his funds till they are invested for the prescribed purpose, the concept of Capital Gains Account Scheme (CGAS) was introduced.

What is Capital Gains Account Scheme?

Capital Gains Account Scheme was introduced in 1988 by the Central Government. The time limit available to the depositor for re-investment and avail the exemption, in many cases is longer than the due date to file the return of income. In such cases, the taxpayer is given an option of depositing such underutilised capital gains in 'Capital Gains Account' introduced under Capital Gains Account Scheme.

Any capital gain invested in Capital Gains Account Scheme will be eligible for capital gain exemption as it would in case of re-investment.

Who Can Deposit in Capital Gains Account Scheme?

Category of the taxpayer with capital gains who is eligible to invest in CGAS from Section 54 to 54F of the Income-tax Act, 1961 "Act", is provided below:

Section Number	Capital gains made on	Category of person
54B	Sale of residential house.	Individual or HUF
54B	Sale of land used for agricultural purpose	Individual or HUF
54D	Compulsory acquisition of land and building	Any taxpayer
54E	Sale of any long term capital asset	Any taxpayer
54EC	Sale of long term capital asset being land or building or both	Any taxpayer
54F	Sale of any long term capital asset not being residential property	Individual or HUF
54G	Transfer of asset (machinery, plant or building, land or right in land or building) in case of shifting of industrial undertaking from urban area	Any taxpayer
54GA	Transfer of asset/s (machinery, plant or building, land or right in land or building) in case of shifting of industrial undertaking from urban area to Special Economic Zone	Any taxpayer

When Can One Deposit in Capital Gains Account Scheme?

Taxpayers who are unable to reinvest their capital gains in a specified investment before the prescribed time restriction for that investment has expired and before the income tax returns are filed must deposit the unutilized capital gains into the capital gains account.

This must be completed prior to the filing of income tax returns. It should not be after the deadline for filing income tax returns.

Saving Long-Term Capital Gains Tax in CGAS

The Income Tax Act, on the other hand, permits you to save on capital gains taxes by investing your whole capital gains in a residential property, or Section 54EC if you invest in capital gains bonds. These investments must be made either one year before the property is sold or within two years of the transaction.

But what if you are unable to invest your full long-term capital gains in a residential property before the deadline for filing your income tax return for the fiscal year? You must persuade the tax department that you want to invest the capital gains but require further time to do so. You can accomplish this by opening a Capital Gains Account Scheme (CGAS) with any scheduled bank. The money you put in here can be retrieved at any moment to help you buy or build a house and avoid paying long-term capital gains tax.

Where Should One Open a Capital Gains Account?

Capital gains account can be opened in any of the authorised bank branches excluding rural branches of such authorised banks.

Procedure to open capital gains account and manner of deposit:

- Capital Gains account can be opened by making an application in duplicate in Form A.
- Documents such as PAN, proof of address, a photograph would be required.
- Deposit can be made by any mode such as cash, cheque, demand draft etc. In case of deposits via cheque or DD, date of deposit will be date on which cheque or DD is received in the deposit office subject to its realisation.
- The deposit can be made either in lump sum or instalments.
- Separate applications shall be made for availing exemption under different sections and separate capital gains accounts shall be opened.

What are the Types of Deposits Available Under the Capital Gains Account Scheme?

Two types of deposits can be made under capital gains account scheme which is explained below:

- Type A – Savings deposit: Type A account is similar to regular savings bank account of any bank where interest at the rate similar to saving bank account interest will be credited periodically and also passbook is issued to the deposit holder. Just like savings deposit, Type A account offers better liquidity and withdrawals can be made at any time.
- Type B – Term deposit: Type B account is similar to a fixed deposit account of a bank which offers interest at the rate applicable to term deposit and has restrictions similar to a term deposit. Maximum term allowed for a Type B account is 3 years. The depositor is required to choose the term based on his plan for specified investment such as 2 years for the purchase of new house property or 3 years for construction. Just like fixed deposits, the depositor would receive deposit certificate containing all the details of deposit and is required to be submitted at the time of withdrawal. Further, auto-renewal of term deposit is not possible like a regular fixed deposit. Term deposit can either be cumulative or non-cumulative i.e., interest is either cumulated and re-invested along with principal or paid at regular intervals respectively.

The interest rate for both deposits is fixed by RBI from time to time. The depositor may choose the appropriate type of deposit keeping in mind his plans for specified investment, requirement of fund, rate of interest etc.

How to Withdraw Money from a Capital Gains Account?

- As mentioned there are no restrictions on withdrawal from Type A – savings account. While premature withdrawal from Type B account is allowed, it is allowed only after transferring the amount to Type A account and there may also be consequential penalty.
- Any amount withdrawn is required to be utilised for specified investment within 60 days of withdrawal and any unutilised amount may be re-deposited to Type A account immediately.
- Form C shall be submitted for withdrawal from an account for the first time and Form D for subsequent withdrawal providing details of the manner of utilisation of money withdrawn earlier. Hence, no chequebook or debit card is issued to the depositor.

Read next: Wall of Wisdom

WALL OF WISDOM (WOW):

- “Opportunities don't happen, you create them.”
- “Just one small positive thought in the morning can change your whole day.”

Read next: Do you know?

DO YOU KNOW?

1. Did you know India's first ever Budget was announced on April 7, 1860, in pre-Independent India. James Wilson of the east India company presented it to British crown. And RK Shanmukham Chetty Presented 1st Union Budget of independent India in Nov 26, 1947.
2. Did you know “Halwa Ceremony” conducted before presentation of Budget observed to maintain secrecy around budget..

What else do You Know? Let us know.

Read next: Motivational Quote

MOTIVATIONAL QUOTE:

“Time is not measured by the passing of years but by what one does, what one feels, and what one achieves.”

—Jawaharlal Nehru

Sources-

- Company Law Notifications and Circulars
- CBDT Notifications and Circulars
- CBIC Notifications and circulars
- Other Allied Law Notifications and circulars
- MCA21 Website.
- Income Tax Website.
- GST Website.
- Other Statutory Government Websites.
- Extracts from Tax guru- Extracts from Clear Tax.- Extracts from CA club India.

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Read next: Statutory Due Dates Calendar

Statutory Due Dates Calendar

INCOME TAX

Due Dates in the Month of	Particulars	For the Period	Due Date
April-2023	1 TDS/TCS Payment	March 2023	07/04/2023
May-2023	1 TDS/TCS Payment	April 2023	07/05/2023
	2 TDS Statement for Form 24Q, 26Q and 27Q	Q4 FY 2022-23	31/05/2023
	3 TCS Statement– for Form 26QB, 26QC, 26QD	Q4 FY 2022-23	15/05/2023
June-2023	1 TDS/TCS Payment	May 2023	07/06/2023
	2 Advance Tax	1 st Installment of FY 2023-24	15/06/2023
	3 Form 16/ 16A	Q4 FY 2022-23	15/06/2023
	4 Statement of Financial Transactions (SFT) Compliance	FY 2022-23	31/05/2023
July-2023	1 TDS/TCS Payment	June 2023	07/07/2023
	2 TDS Statement for Form 24Q	Q1 FY 2023-24	31/07/2023
	3 TCS Statement– for Form 26QB, 26QC, 26QD	Q1 FY 2023-24	15/07/2023
	4 Income tax Return for A.Y. 2023-24 for all assessee other than (a) Assessee whose accounts are required to be audited (b) Partner of a firm whose accounts are required to be audited (c) An assessee who is required to furnish a report under Section 92E.	FY 2022-23	31/07/2023
August-2023	1 TDS/TCS Payment	July 2023	07/08/2023
September-2023	1 TDS/TCS Payment	August 2023	07/09/2023
	2 Advance Tax	2 nd Instalment FY 2023-24	15/09/2023
	3 Due date for filing of audit report under Section 44AB for AY 2023-24 in the case of a corporate- assessee or non-corporate assessee (who is required to submit his/its return of income on October 31, 2023)	FY 2022-23 Q1 FY 2023-24	30/09/2023

	TDS Statement for Form 26Q and 27Q		30/09/2023
October-2023	1	TDS/TCS Payment	September 2023 07/10/2023
	2	Due date for filing of return of income for AY 2023-24 if assessee is (a) Corporate-assessee (b) Non-corporate assessee (whose books of account are required to be audited) (c) Partner of a firm whose accounts are required to be audited (d) An assessee who is required to furnish a Report u/s 92 E	FY 2022-23 30/09/2023
	3	TDS Statement for Form 24Q, 26Q and 27Q	Q2 FY 2023-24 31/10/2023
	4	TCS Statement– for Form 26QB, 26QC, 26QD	Q2 FY 2023-24 15/10/2023
November-2023	1	TDS/TCS Payment	October 2023 07/11/2023
December-2023	1	TDS/TCS Payment	November 2023 07/12/2023
	2	Advance Tax	3 rd Installment FY 2023-24 15/12/2023
	3	Filing of belated/revised return of income for the assessment year 2023-24 for all assessee.	FY 2022-23 31/12/2023
January-2024	1	TDS/TCS Payment	December 2023 07/01/2024
	2	TDS Statement for Form 24Q, 26Q and 27Q	Q3 FY 2023-24 31/01/2024
	3	TCS Statement– for Form 26QB, 26QC, 26QD	Q3 FY 2023-24 15/01/2024
February-2024	1	TDS/TCS Payment	January 2024 07/02/2024
March-2024	1	Advance Tax	4 th Installment of FY 2022-23 15/03/2024
	2	TDS/TCS Payment	February 2024 07/03/2024

GOODS AND SERVICES TAX ACT

Due Dates in the Month of	Particulars	For the Period	Due Date
April-2023	1 GSTR 1 (Regular Taxpayers)	March 2023	11/04/2023
	2 GSTR 1 (Quarterly Taxpayers)	March 2023	13/04/2023
	3 GSTR 3B (Monthly Return)	March 2023	20/04/2023
	3 GSTR 3B (Quarterly Return)	Jan to Mar 2023	22/04/2023
	4 CMP 08	Jan to Mar 2023	18/04/2023
	5 GSTR 4(Annual Return under Composition scheme)	Apr 2022 to Mar 2023	30/04/2023
May-2023	1 GSTR 1 (Regular Taxpayers)	April 2023	11/05/2023
	2 GSTR 3B (Monthly Return)	April 2023	20/05/2023
	3 Monthly Tax Payment under QRMP Scheme(PMT 06)	April 2023	25/05/2023
June-2023	1 GSTR 1 (Regular Taxpayers)	May 2023	11/06/2023
	2 GSTR 3B (Monthly Return)	May 2023	20/06/2023
	3 Monthly Tax Payment under QRMP Scheme(PMT 06)	May 2023	25/06/2023
July-2023	1 GSTR 1 (Regular Taxpayers)	June 2023	11/07/2023
	2 GSTR 1 (Quarterly Taxpayers)	Apr to June 2023	13/07/2023
	3 GSTR 3B (Monthly Return)	June 2023	20/07/2023
	4 GSTR 3B Quarterly Return)	June 2023	22/07/2023
	5 CMP-08	Apr to June 2023	18/07/2023

August-2023	1	GSTR 1 (Regular Taxpayers)	July 2023	11/08/2023
	2	GSTR 3B (Monthly Return)	July 2023	20/08/2023
	3	Monthly Tax Payment under ORMP Scheme(PMT 06)	July 2023	25/08/2023
September-2023	1	GSTR 1 (Regular Taxpayers)	August 2023	11/09/2023
	2	GSTR 3B (Monthly Return)	August 2023	20/09/2023
	3	Monthly Tax Payment under ORMP Scheme(PMT 06)	August 2023	25/09/2021
October-2023	1	GSTR 1 (Regular Taxpayers)	September 2023	11/10/2023
	2	GSTR 1 (Quarterly Taxpayers)	July to Sept 2023	13/10/2023
	3	GSTR 3B (Monthly Return)	September 2023	20/10/2023
	4	GSTR 3B (Quarterly Return)	July to Sept 2023	22/10/2023
	5	CMP-08	July to Sept 2023	18/10/2023
November-2023	1	GSTR 1 (Regular Taxpayers)	October 2023	11/11/2023
	2	GSTR 3B (Monthly Return)	October 2023	20/11/2023
	3	Monthly Tax Payment under ORMP Scheme(PMT 06)	October 2023	25/11/2023
December-2023	1	GSTR 1 (Regular Taxpayers)	November 2023	11/12/2023
	2	GSTR 3B (Monthly Return)	November 2023	20/12/2023
	3	Monthly Tax Payment under ORMP Scheme(PMT 06)	November 2023	25/12/2023
	4	GSTR-9(Annual Return)	FY 2022-23	31/12/2023
January-2024	1	GSTR 1 (Regular Taxpayers)	December 2023	11/01/2024
	2	GSTR 1 (Quarterly Return)	Oct to Dec 2023	13/01/2024
	3	GSTR 3B (Monthly Return)	December 2023	20/01/2024
	4	GSTR 3B Quarterly Return)	Oct to Dec 2023	22/01/2024
	5	CMP-08	Oct to Dec 2023	18/01/2024

February-2024	1	GSTR 1 (Regular Taxpayers)	January 2024	11/02/2024
	2	GSTR 3B (Monthly Return)	January 2024	20/02/2024
	3	Monthly Tax Payment under QRMP Scheme(PMT 06)	January 2024	25/02/2024
March-2024	1	GSTR 1 (Regular Taxpayers)	February 2024	11/03/2024
	2	GSTR 3B (Monthly Return)	February 2024	20/03/2024
	3	Monthly Tax Payment under QRMP Scheme(PMT 06)	February 2024	25/03/2024
April-2024	1	GSTR 1 (Regular Taxpayers)	March 2024	11/04/2024
	2	GSTR 1 (Quarterly Return)	Jan to Mar 2024	13/04/2024
	3	GSTR 3B (Monthly Return)	March 2024	20/04/2024
	4	GSTR 3B Quarterly Return)	Jan to Mar 2024	22/04/2024
	5	CMP-08	Jan to Mar 2024	18/04/2024
	6	GSTR 4(Annual Return under Composition scheme)	Apr 2023 to Mar 2024	30-04-2024

COMPANIES ACT

Due Dates in the Month of	Particulars	Description	Due Date
April-2023	Form MSME (outstanding payments to MSME's)	The return is to be filed by any company, who get supplies of goods or services from micro and small enterprises and whose payments to micro and small enterprise suppliers exceed forty-five days from the date of acceptance or the date of deemed acceptance of the goods or services.	30 th April 2023 (For the period of October'22 – March'23)
			31 st October 2023 (For the period of April'23 – September'23)
May-2023	LLP FORM-11	Annual Return (to be filed by all LLP's irrespective of turnover)	15 th July 2023
June-2023	DPT-3	To be filed in case company has deposit or exempted deposit.	31th July 2023
September-2023	DIR-3 KYC	Form for Director KYC. Need to be filed mandatorily for every director on Board	30 th September 2023
October-2023	ADT-1	Form for Auditor Appointment	15 th October 2023
	AOC-4	Form for filing Financials, Auditors Report, Directors Report, etc.	30 th October 2023
November-2023	MGT-7	ROC Annual Return (Details of Shareholding etc.)	29 st November 2023
Event Based	CHG FORMS	Form for charge creation, modification, satisfaction	Within 30 days of any charge occurring
	DIR-12	Form for Director Changes (Appointment/Resignation/Death)	Within 30 days of any charge occurring

PTRC and PTEC Compliance

Due Dates in the Month of	Particulars	Description	Due Date
June-2023	PTEC	Person who stands enrolled before the commencement of a year or is enrolled on or before 31st May of a year (F.Y. 2022-23)	30/06/2023
		Person who is enrolled after the 31st May of a year	Within one month of the date of enrolment
		Person who is enrolled and the rate of tax at which he is liable to pay tax is revised	Within one month of the date of such revision
March-2023	PTRC	Yearly - Tax Liability is less than INR 1,00,000/-	31/03/2023
		Monthly - Tax Liability is equal to or more than INR 1,00,000/-	The last date of the month to which the return relates

VAT

Due Dates in the Month of	Particulars	For the Period	Due Date
April	1 Monthly Return (VAT payment)	March 2023	21/04/2023
	2 Quarterly Return (VAT payment)	January 2023 to March 2023	21/04/2023
May	1 Monthly Return (VAT payment)	April 2023	21/05/2023
June	1 Monthly Return (VAT payment)	May 2023	21/06/2023
July	1 Monthly Return (VAT payment)	June 2023	21/07/2023
	2 Quarterly Return (VAT payment)	April 2023 to June 2023	21/07/2023
August	1 Monthly Return (VAT payment)	July 2023	21/08/2023
September	1 Monthly Return (VAT payment)	August 2023	21/09/2023
October	1 Monthly Return (VAT payment)	September 2023	21/10/2023
	2 Quarterly Return (VAT payment)	July 2023 to September 2023	21/10/2023
November	1 Monthly Return (VAT payment)	October 2023	21/11/2023
December	1 Monthly Return (VAT payment)	November 2023	21/12/2023
	1 Monthly Return (VAT payment)	December 2023	21/01/2024
January	2 VAT Audit (Form 704)	F.Y. 2022-2023	15/01/2024
	3 Quarterly Return (VAT payment)	October 2023 to December 2023	21/01/2024
February	1 Monthly Return (VAT payment)	January 2024	21/02/2024
March	1 Monthly Return (VAT payment)	February 2024	21/03/2024

Summary of Penalties of Income Tax

Particulars	Description	Amount/ Interest rate
1. Default in making payment of tax.	The amount of penalty leviable will be as determined by the Assessing Officer. However, the amount will not exceed the amount of tax in arrears	Penalty determined by the assessing officer
2. Under-reporting of income.	1. If the income assessed/ re-assessed exceeds the income declared by the assessee, or in cases where return has not been filed and income exceeds the basic exemption limit, penalty at 50% of tax payable on such under reported income shall be levied.	50% of tax payable Under reported Income OR 200% of tax payable from misreporting of income
	2. 200% of the tax is payable if under-reporting results from misreporting of income	
3. Failure to maintain books of accounts and other documents	1. Normally, the amount of penalty leviable is INR25,000	INR 25000 OR 2% of value of International transaction
	2. In case, the assessee is a person who has entered into international transaction, the penalty will be 2% of the value of such international transactions or specified domestic transactions	
4. Penalty for false entry such as fake invoices	1. The assessee might have to pay a penalty of the amount equal to sum of such false or omitted entries.	Amount equal to such false or omitted entries
5. Undisclosed income	1. If undisclosed income is admitted during the course of Search and assessee pays tax and interest and files return, a penalty @ 30% of such undisclosed income is payable.	30% OR 60%
	2. In all other cases, penalty is leviable @ 60%	
6. Audit and Audit Report	1. If the assessee fails to get his accounts audited, obtain audit report, or furnish report of such auditor, a penalty will be leviable at the INR 1,50,000 or 0.5% of the total sale/ Turnover/ gross receipts whichever is lesser.	INR 150000/- OR 0.5% of total sale, turnover/gross receipt
	2. Failure of assessee to furnish Audit report related to foreign transaction, a penalty @ INR 1,00,000 will be payable	

7. TDS/TCS	1. Where a person fails to deduct tax at source, he will be liable to pay a penalty equal to the amount of tax which he has failed to deduct/ pay.	Penalty equal to amount of Tax,
	2. Where a person fails to collect tax at source, he will be liable to pay a penalty equal to the amount of tax which he has failed to collect.	
	3. Failure to furnish TDS/TCS statement or furnishing incorrect statements, shall attract a penalty ranging from 10,000 to 1,00,000	INR 10000/-to INR 100000/-
	4. Non-Deduction of TDS, either in whole or part	1% Per month
	5. Non-payment of TDS (after deduction), either in whole or part	1.5% per month
	6. Failure to furnish information/ furnishing inaccurate information related to TDS deduction related regarding Non-residents shall attract a penalty of 100,000	INR 100000/-
8. Penalty for using modes other than Account payee cheque/ draft/ ECS	1. If a person takes/ accepts loan/ deposit except by way of Account payee cheque/ account payee draft/ ECS, and if the aggregate amount exceeds INR20,000, he shall be liable to pay a penalty of an amount equal to such loan/ deposit.	Penalty amount equals to such loan / deposit
	2. If, an amount of INR2,00,000 or more is received in aggregate from a person in a day/ single transaction/ relating to one event, a penalty equal to such amount will be payable.	
	3. If a person repays loan/ deposit and such amount so repaid exceeds INR20,000 and such amount has been repaid except by way of Account payee cheque/ account payee draft/ ECS, an amount equal to such loan/ deposit shall be payable.	
9. Others	1. Failure to apply/quote/ intimate PAN/ quoting false PAN shall attract a penalty of INR10,000	INR 10000/-
	2. Failure to apply/quote TAN/ quoting false TAN shall attract a penalty of INR10,000	
	In case of the following defaults, INR10,000 will be the penalty leviable,	
	1. Refusal to answer questions put by the department	

	2. Refusal to sign statements made in income tax proceedings	
	3. Noncompliance with summons to give evidence/ produce books of accounts	
	4. Failure to comply with a notice	
10. late Filing ITR	1. If the ITR is filed after the due date but by 31st December of the succeeding year.	INR 5000/-
	2. If the ITR is filed after 31st December of the succeeding year.	INR 10000/-
	3. for small taxpayers having total income of up to INR 5 lakh.	INR 1000/-

Read next: Amendment Summary

Amendment Summary

DEC-2022						
MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
			1 Central Excise	2	3	4
5	6	7 Direct Tax	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Sr. No.	Date	Area of Knowledge (AOK)	Notification/ Circular/ Press Release	Short Description
1	1/12/2022	Central excise	Notification No 40.2022	To reduce the Special Additional Excise Duty on Diesel, Seeks to further amend No. 04/2022-Central Excise, dated the 30th June, 2022
2	1/12/2022	Central excise	Notification No 41.2022	To reduce the Special Additional Excise Duty on production of Petroleum Crude, Seeks to amend No. 18/2022-Central Excise, dated the 19th July, 2022
3	7/12/2022	Direct Tax	Circular No 24.2022	Deduction Of Tax At Source income-Tax Deduction From Salaries Under Section 192 Of The Income-Tax Act, 1961 During The Financial Year 2022-23

Rectifications in the previous Newsletter:

No Rectifications pertaining to the previous Newsletter(s).

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