

DAHOTRE & DAHOTRE

Chartered Accountants

Knowledge and Development Committee

Newsletter

Period of Update: 10th February, 2024 to 16th March, 2024
Period of Issue: 17th March, 2024 to 23rd March, 2024

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Editor-in-Chief's Message

Hello readers!

Welcome to the **11**th Newsletter Edition of 2024.

In this issue, we will discuss Taxability of Charitable and Religious Trust. Also we will know regarding How will Loksabha Election Impact the Stock Market and we will see Paytm case Study.

Trupti Narawade
Editor-in-chief

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Team's Message

"Individual commitment to a group effort—that is what makes a teamwork, a company work, a society work, a civilization work."

Akash Patel
Senior Leader(Audit)

Short Updates:

Direct Taxes

- Central Board of Direct Taxes (CBDT), has introduced certain amendments to the Income-tax Rules, 1962, specifically targeting Form No. 3CD vide Notification No. 27/2024-Income Tax, dated 5th March 2024.

Key Changes:

- Clause 8A: Includes reference to section 115BAE.
- Clause 12: References section 44ADA.
- Clause 18: Requires adjustment to the WDV under provisos to sections 115BAA/115BAC/115BAD for specified assessment years.
- Clause 19: Includes reference to section 35ABA and other relevant sections.

- Clause 26: Introduces reporting requirement for compliance u/s 43B(h) related to micro and small enterprises
- Clause 32(a): Includes reference to losses/allowances not allowed under section 115BAE and adjustments due to withdrawal of additional depreciation under section 115BAE.
- Clause 21: Adds reference to expenditures for prohibited purposes or to compound offenses.

ROC

- The National Financial Reporting Authority (NFRA) is mandated by the Companies Act, 2013, to monitor and enforce compliance with accounting standards. NFRA's FRQRR of PSP Projects Ltd. highlighted significant compliance issues, especially in the areas of initial measurement and impairment loss allowance.

01 Generals

Taxability of Charitable and Religious Trust



CA Dipti Gujarathi

Charity is voluntary help either in money or kind to the needy. Collective efforts are always more fruitful. Hence, there are various Non-Governmental Organizations (NGOs) and non-profit entities constantly working on charitable activities by raising funds all over the world by forming either an institution or trust. Efforts of such institutions play a significant role in promoting economic development and the social welfare objectives of the Government

Taxability of Income from Property Held under Trust for Charitable and Religious Purpose :

Only Charitable/ religious trust or institution registered under Section 12AA enjoys the exemption under sec 80G. Income accumulated and set aside for the application towards charitable and religious purpose is Exempt to the extent of 15% of such income. However for this purpose 85% of income should be first applied for charitable purpose. This means at-least 85% of income from property to be applied for charitable and religious purpose in India and balance 15% can be accumulated or set aside

How Should Income Be Applied to be Exempt?

To be exempt, a trust is required to apply at least 85% of its income to charitable or religious purposes in India. As per the definition provided under tax provisions, charitable purpose includes the following:

1. Relief of the poor
2. Education
3. Yoga
4. Medical relief
5. Preservation of environment (monuments or places or objects of artistic or historic interest
6. Advancement of any other object of general public utility.

However, if any activity in the nature of trade, commerce or business, or any activity of rendering any service in relation to any trade, commerce or business, for a fee or any other consideration is not considered to be for charitable purposes, irrespective of the nature of use or application, or retention of the income from such activity unless:

such activity of trade/commerce/business is undertaken in the course of the actual carrying out of such advancement of any other object of general public utility and

The aggregate receipts from such activity/ activities during the financial year does not exceed 20% of the total receipts of the said trust or institution during that financial year.

Here it is important to add that income utilized for the purchase of capital assets, repayment of a loan for the purchase of capital assets, revenue expenditure and donation to trust registered under Section 12AA and Section 10(23C) shall also be treated as applied for charitable purposes and hence exempted from tax.

Accumulation of 85% of income of trust:

If a minimum of 85% of the income of trust or institution has not applied, it is allowed to accumulate or set aside. And such income shall be exempt, if following conditions are satisfied.

1. Such trust or institution furnishes Form No. 10 – notice of accumulation of income by charitable trust or institution electronically on or before the due date for filing the return of income.
2. Mention the purpose for which income is being accumulated or set aside.
3. Income shall not be accumulated for more than 5 years and years in which income accumulated or set aside due to order or injunction of any court to be excluded in computing 5 years.
4. Money so accumulated or set aside is invested or deposited in specified mode.

Where should accumulated income be invested?

As mentioned already, income not exceeding 15% can be accumulated or set aside for its application in India. Further, one can even accumulate or set aside 85% of the income, not applied for the specified purpose for its application in India. Such accumulations must be through the following modes of investment

1. Investment in government saving certificate/UTI Deposit in post office savings bank/scheduled bank/co-operative bank.
2. Investment in immovable property.
3. Investment in any security for money created and issued by the Central or State Government.
4. Company debentures fully and unconditionally guaranteed by Central or State Government.
5. Investment or deposit in Public Sector Company.
6. Deposit with or investment in bonds of a financial corporation or public company (registered in India) engaged in providing long term finance for India's industrial development.

Read next: *How will the 2024 Lok Sabha election impact the stock market?*

02 General

How will the Lok Sabha Election Impact the Stock Market?



Akash Chavan

Stock market investors consistently aim to anticipate the outcomes of major events like general elections and take strategic positions in the market in advance.

After the election results, investors adjust their investments based on the outcome and the extent to which their expectations are met. In the event of surprises, they reassess the situation and realign their strategies based on the new reality.



The 2024 Lok Sabha election will be held in seven phases starting from April 19.

On Saturday, the Election Commission of India announced the much-awaited dates for the general election, with the first phase starting on April 19 and the last phase of the election being held on June 1. The vote counting will be done on June 4.

India will witness the world's biggest election, with over 97 crore registered voters. To conduct this year's Lok Sabha election, over 10 lakh polling booths will be

set up, and 55 lakh electronic voting machines (EVMs) will be used.

Election Phases	Dates	Number of constituencies
Phase 1	April 19, 2024	102 seats across 21 states
Phase 2	April 26, 2024	89 seats across 13 states
Phase 3	May 7, 2024	94 seats across 12 states
Phase 4	May 13, 2024	96 seats across 10 states
Phase 5	May 20, 2024	49 seats across 8 states
Phase 6	May 25, 2024	57 seats across 7 states
Phase 7	June 1, 2024	57 seats across 7 states

Meanwhile, the stock market is geared up for this mega event, which could potentially impact investor's sentiments.

So far in 2024, domestic stock markets are on a dream run, marching towards record highs as the broader economy continues to show signs of robust growth.

The NIFTY50 has set a lifetime high of 22,526, while SENSEX set a high of 74,245 in March 2024. Both indices have given positive returns so far in this election year.

Why is the election year crucial for the stock market?

Stock market participants consistently aim to anticipate the outcomes of major events like general elections and take strategic positions in the market in advance.

After the election results, investors adjust their investments based on the result and the extent to which their expectations are met. In the event of surprises, they reassess the situation and realign their strategies based on the new reality.

With that background, let's deep dive how domestic stock markets performed in the last few general elections.

Market performance in the last four general elections?

Election year (result date)	Returns before election result (%)	YTD returns after election result (%)
2004 (May 13, 2004)	-16.3%	+31.1%
2009 (May 17, 2009)	+23.2%	+25%
2014 (May 16, 2014)	+13.8%	+14.4%
2019 (May 23, 2019)	+9.3%	+3.0%

The 2009 election year tops the chart in terms of returns given by the benchmark index. This outperformance can be attributed to recovery from the 2008 US financial crisis.

After the result announcement, Indian markets experienced a boost for the remainder of the year due to substantial foreign capital inflows following the quantitative easing measures in the US.

The election year 2019 was most sluggish in terms of returns amid weak global and domestic economic growth. The US-China trade war and continuous rate hikes by the US Federal Reserve weigh on the market.

2024 Lok Sabha election to be major determinant of market and economic direction

In the run-up to this election year, markets are already trading around lifetime highs. A win for the existing government could ensure policy continuity. However, the size of the winning party in parliament is also crucial as this can influence the administration reform agenda.

The Indian economy has shown resilience in the post-pandemic era. In Q3 FY24, the economy expanded 8.4% year-on-year, the strongest growth since Q2 2022 on the back of growth in the service and manufacturing sectors.

The strong domestic growth has supported stock market growth as well. The addition of new demat accounts is at an all-time high. As of December 2023, total demat account holders crossed 13.93 crore, up 28.6% from a year ago.

Meanwhile, mutual fund total assets under management (AUM) have grown six times in ten years from ₹9.16 lakh crore to more than ₹54.5 lakh crore as of February 29, 2024

Conclusion

Elections often lead to short-term volatility and uncertainty in the market. Nevertheless, as the election draws near, the market tends to stabilize, with the political picture becoming clearer for investors.

By investing before the election, investors can position themselves to benefit from any positive market movement.

However, if the stock market plummets after the election, investors should examine long-term investing goals and avoid short-term market reactions.

Read next: Paytm case study

03 General

Paytm Case Study



Trupti Narawade

Paytm (an acronym for "pay through mobile")

is an Indian multinational financial technology company that specializes in digital payments and financial services, based in Noida, India. Paytm was founded in 2010 by Vijay Shekhar Sharma under One97 Communications. The company offers mobile payment services to consumers and enables merchants to receive payments through QR code payment, Payment Sound box, Android-based-payment terminal, and online payment gateway.[6] In partnership with financial institutions, Paytm also offers financial services such as microcredit and buy now, pay later to its consumers and merchants.

Apart from bill payments and money transfer, the company also provides ticketing services, retail brokerage products and online games.

History

Paytm was founded in August 2010 with an initial investment of US\$2 million by its founder Vijay Shekhar Sharma in Noida, Delhi NCR. It started off as a prepaid mobile and DTH recharge platform, and later added debit card, post-paid mobile and landline bill payments in 2013.

In October 2011 Sapphire Ventures (SAP Ventures) invested \$10 million in One97 Communications Ltd. By January 2014, the company had launched the Paytm Wallet, which the Indian Railways and Uber added as a payment option. It launched into e-commerce with online deals and bus ticketing. In 2015, it added education fees, metro recharges, electricity, gas, and water bill payments. Paytm's registered user base grew from 1.18 crore in August 2014 to 10.4 crore in

August 2015. Its travel business crossed \$500 million in annualised GMV run rate, with 20 lakh tickets booked per month.

In March 2015 Paytm received its huge stake from Chinese e-commerce company Alibaba Group, after Ant Financial Services Group, an Alibaba Group affiliate, took 40% stock in Paytm as part of a strategic agreement

In 2017 Paytm became India's first payment app to cross over 10 crore app downloads. The same year, it launched Paytm Gold, a product that allowed users to buy as little as ₹1 of pure gold online. It also launched Paytm Payments Bank and 'Inbox', a messaging platform with in-chat payments. By 2018, it started allowing merchants to accept Paytm, UPI and card payments directly into their bank accounts at 0% charge.

Controversies against Paytm

In May 2018, the Indian investigative news agency Cobrapost released a video of an undercover reporter meeting with Paytm's vice president, Ajay Shekhar Sharma who is the brother of Vijay Shekhar Sharma. During the meeting, he reportedly said the company had provided the Government of India with the personal data of Paytm users in the Indian state of Jammu and Kashmir, violating user's privacy and policies. Later, BuzzFeed reported that, Sharma has close ties with India's ruling party Bharatiya Janata Party. Meanwhile, in response, the company tweeted that, it had never shared user's data with third parties, denied the contents in the video, and stated that it had never received requests from law enforcement on Twitter. Paytm also stated that any person claiming otherwise "is not aware of the policy and is not authorised to speak on behalf of the company".

Paytm has alleged that the Indian telecom companies are not blocking numbers used for phishing activities and sued them for ₹100 crores in the Delhi High Court.

On 18 September 2020, the firm's official app was briefly unlisted from the Google Play allegedly due to violations of the Play Store's gambling policy. The company claimed that Google did not offer any prior warning or give the company an opportunity to

explain its views on the contentious 'cashback' offers while claiming that Google's own payments app Google Pay offered similar 'cashback' offers and suffered no repercussions.

In March 2022, the Reserve Bank of India barred Paytm Payments Bank from signing up new customers after an inspection found that the company was leaking customer data to China-based entities which indirectly owned a stake in Paytm Payments Bank

On 31 January 2024, Reserve Bank of India, the banking regulator in India, ordered Paytm Payments Bank Ltd to stop the bulk of its activities from 29 February 2024. RBI found that the company did not conduct proper background checks on the source of funds before on boarding clients.

The RBI cracked the whip over irregularities in KYC (know your customer) norms, compliance issues and related party transactions. The intervention stems from concerns about money laundering and questionable transactions involving crores of rupees. Non-KYC-compliant accounts and instances of single PANs used for multiple accounts raised red flags.

As per a Reuters report, PPBL came under RBI scrutiny as hundreds of thousands of accounts were found to be created without proper identification. The RBI alerted the Enforcement Directorate (ED) and other government agencies regarding the irregularities in PPBL accounts.

Red flags were also raised as there were instances where the total value of transactions in PPBL accounts exceeded crores of rupees, surpassing regulatory limits in minimum KYC pre-paid instruments, PTI reported. Sources told the agency this raised concerns about potential money laundering.

Sources also told the Economic Times that there was a case where an account linked to one Permanent

Account Number (PAN) operated more than 1,000 wallets. The major irregularities in KYC procedures have exposed customers, depositors, and wallet holders to serious risks.

As part of a significant regulatory action, the Reserve Bank of India directed Paytm Payments Bank to stop

accepting deposits or top-ups in various instruments after February 29. This date was further extended to 15 March 2024 as per the updated FAQ.

Paytm's Response against Controversies

Paytm's founder-CEO reassured users about the app's functionality beyond February 29. In a post on February 2nd, he appreciated the support and commitment of Paytm users, emphasising the company's dedication to serving the nation in full compliance with a focus on payment innovation and financial inclusion.

In multiple statements, the company said Paytm's management continues ongoing discussions with the RBI to comply with directives.

On the ED investigation, Paytm said that they operate with the highest ethical standards and have not been the subject of an investigation regarding money laundering, PTI reported.

The company on February 5 rejected reports of investigation or violation of foreign exchange rules by the company or its associate PPBL and termed the recent media reports as entirely misleading, baseless and malicious.

The company in an exchange filing said, "The Company filed a specific clarification, categorically denying any investigation by the ED on OCL, our associates and our management. We have since seen additional media reports making baseless speculations about investigations of the Company or its associate PPBL for violation of foreign exchange rules".

Read next: Wall of Wisdom

WALL OF WISDOM (WOW):

- "Life isn't about finding yourself. Life is about creating yourself."
- "Doubt kills more dreams than failure ever will."

Read next: Do you know?

DO YOU KNOW?

1. *Did you know Einstein's brain was stolen when he died?
When Nobel Prize-winning physicist Albert Einstein passed away on April 18, 1955, he left behind specific instructions. He didn't want his body to be "worshipped" or his brain to be studied so he wished to be cremated. However, Thomas Harvey, the pathologist who was on call when Einstein died didn't quite respect Einstein's wishes. Instead, he stole Einstein's brain.*

What else do You Know

Let us know.

Read next: Motivational Quote

MOTIVATIONAL QUOTE:

**"It often requires more courage to dare to do right than to fear to do wrong."
—Abraham Lincoln**

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.

Contact Details-

Offices 3,4,9,11 Gaurav Building, Opp. Karishma Society Gate No. 2, Kothrud, Pune – 411038.
Phone: +91 20-67426111
Email – knd@dahotreanddahotre.com

Read next: Statutory Due Date

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	30/09/2023

		TDS Statement for Form 26Q and 27Q	Q1 FY 2023-24	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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