

**DAHOTRE & DAHOTRE**  
Chartered Accountants



Knowledge and Development Committee

# Newsletter

Period of Update: 23rd June, 2024 to 29th June, 2024  
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## Editor-in-Chief's Message

Hello readers!

Welcome to the **26**th Newsletter Edition of 2024.

In this issue, we will discuss how GST Impact Export of Goods and Services and Forensic Audit. Also, we will know how we fought Cash Flow Issues.

**Vinod Jangid**  
Editor-in-chief

## Team's Message

"Life is very interesting. In the end, some of your greatest pains become your greatest strengths."

**Tejashree Darawade**  
Senior Associate

## Short Updates:

### RERA

- Real Estate (Regulation and Development) Act, 2016 places significant emphasis on the Quality of Construction. Section 14(3) of the Act stipulates that "In case any structural defect or any other defect in workmanship, quality or provision of services or any other obligations of the promoter as per the agreement for sale relating to such development is brought to the notice of the allottee from the date of handing over possession, it shall be the duty of the promoter to rectify such defects without further charge.
- Within thirty days, and in the event of promoter's failure to rectify such defects within such time, the aggrieved allottees shall be entitled to receive appropriate compensation in the manner as provided under this Act."

### Direct Tax

- Global agreement on taxing ultra-rich is technically feasible, states G20-commissioned report.
- In a landmark report unveiled recently Professor Gabriel Zucman has called for the adoption of a coordinated global minimum tax standard targeting the ultra-rich. This initiative aims to impose a 2% annual tax on the wealth of the world's 3,000 billionaires, potentially generating an additional USD 250 billion in global tax revenues. Extending this tax to individuals with a net worth of over USD 100 million could add between USD 100 billion and USD 140 billion annually.

## 01 Indirect Tax How GST Impact Export of Goods and Services



Arpit Kale

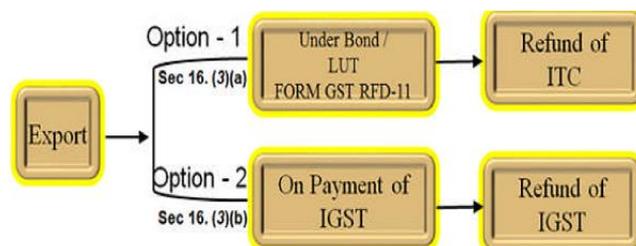
In India, the GST for the export of goods and services is zero-rated. Here, a zero-rated supply does not suggest that the goods and services have a tax rate of zero percent. In fact, it means that the recipient of the supply of goods or services or both is entitled to pay 0% GST to the supplier of goods or services or both. The government of India has the aim of growing the output and the quality of exports from India and the various tax benefits furnished to the exporters

### How GST is imposed on Export of Goods and Services

A duty drawback was provided under the previous laws for the tax paid on inputs for the export of exempted goods. Claiming the duty drawback changed into a bulky process. In GST, the duty drawback will only be available for the customs duty which was paid on imported inputs or central excise paid on some petroleum or tobacco products used as inputs or fuel for captive power generation. There was, however, confusion surrounding the refund of the tax paid through exporters at the inputs.

So, a note in relation to the above challenge was released by the government of India which has helped in clearing doubts concerning the claiming of input tax credit (ITC) on zero-rated exports. An exporter dealing in zero-rated goods under GST can claim a refund for zero-rated supplies as per the subsequent options, which are given as follows:

- Option 1: This includes the supply of goods or services or both, under bond or Letter of Undertaking (LUT), subject to such conditions, safeguards and process as may be prescribed, without payment of incorporated tax and then claim a reimbursement of non-utilised input tax credit. The exporter is required to file an application for refund on the common GST portal, either directly or via the facilitation centre notified by the GST Commissioner. An export manifest or report needs to be filed under the Customs Act prior to filing an application claiming for refund.
- Option 2: Any exporter or United Nations or Embassy or other agencies/bodies as specified in Section 55, who supplies goods or services or both, after fulfilling certain criteria, safeguards, and procedures as may be prescribed and paying the IGST, can claim a refund of such tax paid on the provided goods or services, or both. The applicant is required to apply for the refund as in keeping with the conditions that are detailed under Section 54 of the CGST Act .



### Documents Required for Claiming Refund on Exports

Given below is a list of important documents that are required for claiming refund:

- A copy of return that holds evidence for the payment of duty.
- A copy of invoice.
- Any document which proves that the burden of paying tax has not been passed on (such as CA certification or self-certification).
- Any other document that is required by the government of India.

## Is GST registration necessary for export of goods?

- Yes, it's far obligatory in an effort to take GST Registration in case you are an exporter of goods. Irrespective of the limit of your turnover, it will become mandatory to take new GST registration for an exporter of goods.

## Do I have to pay GST at the same time as I sell goods outside India?

If you are registered as an exporter of goods under GST, then you must understand that considering export is considered as interstate delivery so that you want to pay IGST in case of export of goods. However, the amount of IGST paid in case of export of products can be claimed as refund by way of the exporter with the aid of following a certain procedure as prescribed by the Government. Another opportunity that an exporter of products has- that he can follow for a Letter of Undertaking (LUT). Thus, with the help of LUT, an exporter of products can make the export without paying any IGST.

## Foreign Currency Transactions

### Initial Recognition

A foreign currency transaction is any transaction that is denominated in or needs to settle in any foreign currency. Such foreign currency transactions must be recorded, on initial recognition in reporting currency, by applying the exchange rate between the foreign currency and the reporting currency to the foreign currency amount at the date of the transaction.

### Reporting at Subsequent Balance Sheet Dates

At every balance sheet date:

- All the foreign currency monetary items must be reported at the closing rate. Though, in specific circumstances, the closing rate might not exhibit with reasonable accuracy amount in the reporting currency which is expected to be realized from.
- In such scenarios, the monetary items must be reported in reporting currency at the value which is expected to be realized from, or needed to

disburse, such monetary item at the balance sheet date;

- Non-monetary items that are carried in terms of historical cost denominated in a foreign currency should be reported using the exchange rate at the date of the transaction; and
- Non-monetary items that are carried at the fair value or similar valuation denominated in the foreign currency must be reported at the exchange rates prevailing when such values were determined

## Recognition of Exchange Differences

Exchange differences which arise on reporting the enterprise's monetary items at the rates different from the ones at which they're recorded initially must be recognized the income or as an expense.

## Example of Foreign Exchange Gains and Losses

Frisky Co. has two main suppliers, in Pakistan, and in China. Frisky Co. is based in the U.S. When they purchased goods and services from Pakistan, the exchange rate was as follows:

USD1 = PKR (Pakistani Rupee) 150

USD1 = CNY 10

They purchased goods worth PKR 100,000 from Pakistan, and CNY 20,000 from China.

However, when they paid these suppliers, the exchange rate was as follows:

USD1 = PKR (Pakistani Rupee) 170

USD1 = CNY 5

It can be seen that in the scenario mentioned above, when the goods were actually purchased, Frisky Co. had to pay an amount of USD 667 to Pakistan in exchange of goods and services that were imported.

On the other hand, Frisky Co. had to pay an amount equivalent to USD 2000 to China.

However, when the actual payment was made, Frisky Co. ended up paying USD 588 to Pakistan, and USD 4000 to China.

This implies that with Pakistan, they had a Foreign Exchange profit equivalent to (USD 667 – USD 588) USD 59, whereas with China, they had a Foreign Exchange loss equivalent to (USD 2000 – USD 4000) USD 2000.

Read next: Forensic Audit

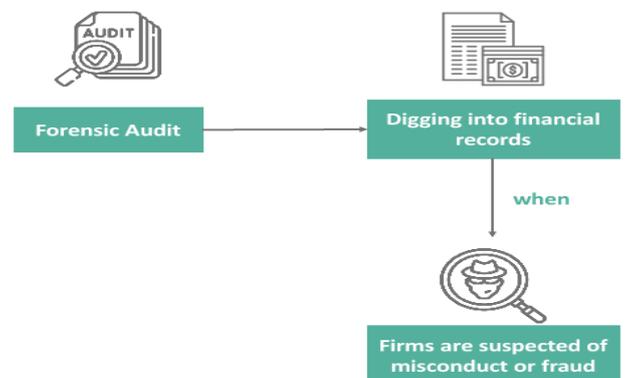
## 02 General Forensic Audit



Trupti Narawde

A **Forensic Audit** is a structured examination of the financial records of a business entity in an investigative manner to find out the evidence that can be used for legal proceedings in court. It is one step ahead of an internal audit, and the person who conducts such an audit should know the law and legal frameworks and have expert knowledge of accounting and auditing.

### What is Forensic Audit?



A forensic audit is only conducted when there is something suspicious about a firm or organization. The government or administrative authorities conduct these audits to detect the fraudulent activities, malpractices or misconducts happening with an organization. If any negative activity is detected, the investigation continues for evidence and legal proceedings begin.

### Key Takeaways

- A forensic audit is a structured examination of the company's financial records analytically to get the proof to be used for legal proceedings in court.

- The person performing such an audit must understand the law and legal frameworks and possess knowledge of accounting and auditing.
- Conflict of interest, bribes, misappropriation of assets, and misrepresentation of financial statements are the reasons for doing the forensic audit.
- The steps of a forensic audit are planning the investigation, collecting evidence, reporting, and court proceedings.
- A forensic audit is required for a specific purpose like finding the fraud or misrepresenting a financial statement by examining the past transaction and collecting evidence that will prove that some fraud has happened and can be used in court for legal proceedings. At the same time, internal audit is focused on compliance, policies, accounting standards, and other controls that companies need to follow for their operation.

**Forensic audit has multiple purposes to serve when it comes to ensuring accurate and reliable maintenance of records in the financial statements. Some of the objectives of this process are as follows:**

- Identifying the cases of fraud through different investigation methods and taking care of them.
- Ensuring prevention of frauds by implementing internal controls besides the advice and recommendations from authorities.
- The participation of auditors in the development of fraud prevention programs.
- Investigation of required matters and collection of evidence for the legal or judicial proceedings.

### **Types of Forensic Audit**

Based on the type of frauds and issues that occur in a business setup, the type of forensic audit reports may differ. However, such audits are broadly classified into two categories – financial statement audit and financial due diligence audit.

**Financial Statement Audit:** It checks for accuracy in the financial statements that companies prepare. The main focus is on footnote disclosures that mentions the risk management factors besides others. The auditor, in this case, also ensures the statements

prepared comply with the guidelines specified by financial regulatory bodies.

**Financial due Diligence Audit:** It is different from standard auditing techniques as it goes beyond considering the financial statements only. Instead, it focuses on acquiring evidence that could help decide whether a business is fit to be bought or sold or should one invest in it for it to operate further

### **There are four steps followed for a standard forensic audit procedures**

#### **1) Planning the Investigation**

Auditors will plan the investigation to leave nothing out and achieve the audit's objective. Below are some points which auditors keep in mind:

- Identifying the fraud being carried out
- The period during which fraud has been carried out
- Reason or root cause of fraud
- Find out employees involved in the fraud
- The loss suffered by the company because of the fraud, whether it is financial or non-financial
- Establishing evidence collection by copying in court proceedings.
- Suggesting actions for preventing these types of frauds in future

#### **2) Collecting Evidence**

It is an essential part of forensic audits. After identifying the fraud, the auditor will collect the evidence, which can be substantiated and accepted in court. These documents must reflect how the fraud has happened, who has done it, and what amount of loss the company has suffered.

For example, a vendor has finalized the purchase of raw material. If it suspects that some malicious things happened in that finalization, the auditor will examine the below things:

- Who has approved the vendor
- Whether company policy was followed at the time of finalizing
- Quotation from other 3-4 vendors has been taken or not

- If taken, whether all these quotations were compared with each other in terms of pricing and quality
- After finalizing, whether the vendor provided the same quality of material, which it has shown at the time of selection

### 3) Reporting

- After completing the above process, a forensic auditor will prepare a report summarizing the audit and present it to the management/client. The report contains the below points:
- Observation/findings during the audit Evidence gathered which will substantiate the fraud, How much loss the company has suffered, How the fraud has been conducted, What steps should be taken to stop this type of fraud, Based on the report, the management can decide whether they should go for legal proceedings or not.

### 4) Court Proceedings

- Suppose management decides to take legal action based on the forensic audit report. In that case, the auditor should also be present at the court to explain how the fraud has been done and how the evidence will support the statement. The forensic auditor will also simplify the accounting fraud in simple language so that everyone can understand it.

### Example

Suppose Firm ABC belonging to the environmental sector obtained funds from the government in the name of initiating campaigns to spread awareness about preservation of ecological resources. The company, as per its proposal, stated its willingness to visit every corner of Nevada.

To achieve the purpose, it took the required funds from the government. However, it was found that it did not spend anything on the campaign. Thus, the authorities ordered to conduct forensic auditing where the auditors investigated the matter, and found the firm ABC guilty of misusing the funds obtained in the name of doing well for the environment.

The auditor and team gathered the evidence to prove their point, thereby making the guilty pay for the misdeed.

*Read next: This is how We Fought Cash Flow Issues*

### 03 Business Consultancy

## This is how We Fought Cash Flow Issues



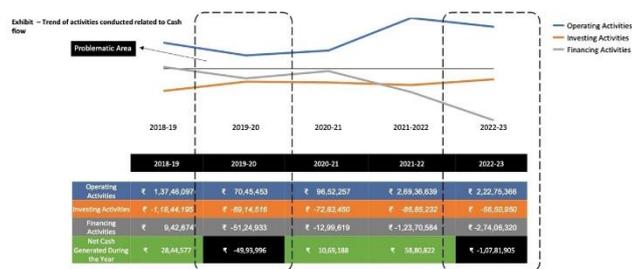
Sonakshi Pathak

Our client is a leading sweets and snacks manufacturer based in India looking forward to expanding their legacy and further growing it to the national level. They are the 3rd generation in this leading business with about 100 years of crafting and providing quality sweets and snacks.

Doubtful about the status of current capabilities, the client approached us to help them identify the exact problem with the operational performance of the organisation. We performed a Top-Down Analysis to identify the gaps in the organisation. We assessed the People, Process and Financial capabilities of the company and came up with multiple objective functions for the client. Out of which the Finance Capabilities were to be transformed first.

Our objective function was to locate the leakages in the inflow and outflow of cash improving the overall

**There were abnormalities under operating activities for 2019-20 and Financing Activities for 2022-23.**

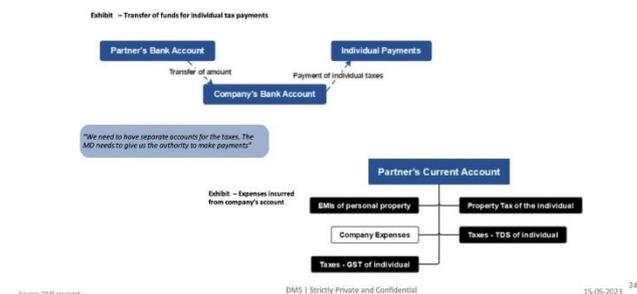


### Exhibit 1: Overview of 5 years Cash Flow Statement

Abnormalities in financing activities (Changes in equity or debt) helped us locate that the client was investing and withdrawing amounts through unsecured loans in 2022-23. There was enough cash being generated through the operating activities but due to the repayment of partner unsecured loans the cash was getting locked in the financing activities.

We further dug into the books, to understand the exact reason for the abnormalities in the financing activities. The withdrawals were made in the form of Remuneration, Profits, and some abnormal personal drawings and the investments were in the form of capital being introduced in the firm through Partners' capital account.

**Eliminate the use of the company's account to pay individual taxes of Partners and vice versa.**



### Exhibit 2: Company funds utilised for the purpose of partners' requirement leading to funds being locked in Financing Activities

Payments and expenses incurred were made through the Partner's Capital Account which explains the abnormal withdrawals and irregular deposits in the account. The Client was using the company's account to make personal tax and other miscellaneous payments which in turn resulted in transactions within Partner's Account.

Client started transferring profits after deducting tax to reduce the amount of cash getting locked in the taxes, debtors, and other receivables.

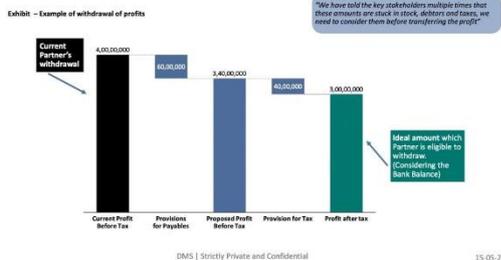


Exhibit 1 - Data collected to generate inventory aging

Sr No	Item	Type (RM, Consumables, FG)	Closing month	Closing stock (Amount in INR)	Purchases (Cumulative)	Unit of measurement	Number of units (Closing stock)	Purchase price per unit	Inventory days	Price per unit in Inventory	Category
Formula											
To be filled											

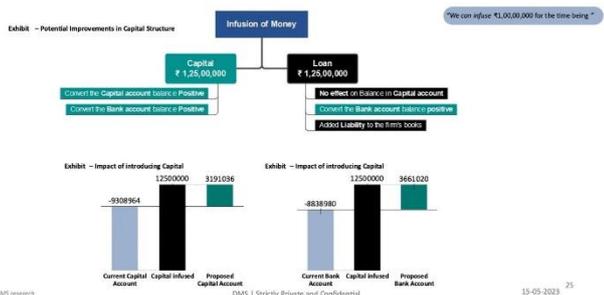
Exhibit 2 - Inventory aging schedule - example of finished goods

SKU	0 - 15 days	15 - 30 days	30 - 45 days	45 - 60 days	60 days and above
SKU 1					₹ 2,73,66,438
SKU 2					₹ 87,30,018
SKU 3					₹ 54,85,251
SKU 4					₹ 53,32,829
SKU 5					₹ 35,01,630
SKU 6					₹ 27,23,760
SKU 7					₹ 25,90,812
SKU 8					₹ 24,70,306
SKU 9					₹ 21,93,750
SKU 10					₹ 20,08,436

Exhibit 3: Profits should be withdrawn by partners after creating provisions for payables and taxes

We found that the Profit withdrawal done monthly or quarterly was incorrect and inaccurate in terms of calculations. The provisions for payables and Taxes were being neglected by the Partners in this entire process of withdrawing Profits.

The Partner's had to infuse ~ INR 1,25,00,000 as capital to eliminate the cash crunch and improve the cash flow.



Source: DMS research

The Client started collecting amount within 7 days where the debtors were delaying payments more than 7 days.

Exhibit - AR days of the debtors (amounts are in INR)

Outlets	Sales	Debtors 22-23	Debtors 23-24	AR days
J TRADERS	67292630.19	1969001	780145.41	6.230174
S Traders	40243020	248374.11	1940897.95	4.242957
SW TRADERS	34661163	982006.4	682758.61	7.362758
S Traders	34191574	654842	2781509.17	15.37179
A Traders	2452747	91379	655177.11	10.1125
A Traders	2292676	33778	809460.17	9.70987
Franchise	Sales	Debtors 22-23	Debtors 23-24	AR days
PF	20761722.9	107023	1112625.9	21.8826
PF	7666262.9	202951.9	128155	6.566602
GF	11384416.72	312281.7	477285.38	10.91316

Exhibit - Types of Receivables

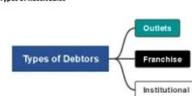


Exhibit - AR aging of current debtors (amounts are in INR)

Outlets	0 - 7	8 - 10	11 - 15	16 and above
A Traders		893449.17		
A Traders			669537.73	
J TRADERS		780145.41		
S Traders		1063897.95		
S Traders			882758.61	
S TRADERS				2781509.17
Franchises	0 - 7	8 - 10	11 - 15	16 and above
JGF			1263016.53	
PF		128155		
SF				477285.38

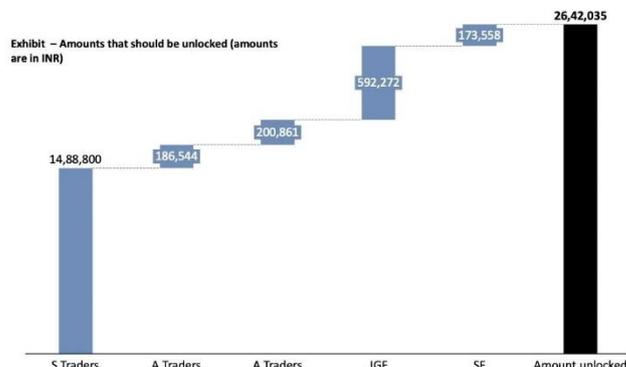
Source: DMS research

DMS | Strictly Private and Confidential

15-05-2023

Exhibit 5: Accounts Receivable (AR) Ageing was prepared to analyse whether amounts can be unlocked from Debtors

4 Debtors/ Accounts Receivables (AR) as per the above Exhibit were delaying payments more than 7 days impacting the overall credit cycle. Collecting amounts within 7 days unlocked amounts worth INR 26.42 lakhs on a monthly basis as per the next exhibit.



Source: DMS research

DMS | Strictly Private and Confidential

Exhibit 6: By reducing the collecting the amounts from Debtors within 7 days unlocked INR 26.42 lakhs per month.

## Reorganizing the structure for Finance Function and distribution of work as per domain helped client bring communication and accountability of activities

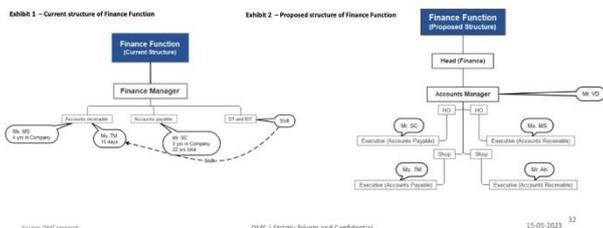


Exhibit: 7: Mix up for work was eliminated to establish accountability in the Finance Department

We distributed the work of Finance function further into Receivable and Payable to differentiate the activities based on type. This helped us to relevant activities to relevant people placed in the department. Restructuring helped us to distribute the work.

## Assigning key responsibilities based on domain and not based on employee capacity or idle time helped the client streamline work and reduce load.

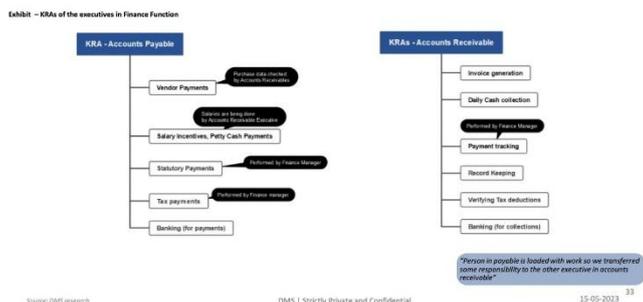


Exhibit 8: KRAs were defined for clarity and speed up decision making

Mix up of work within the department was observed as the work of Payables was being done by the person in Receivables and the work of Receivables was being done by the Account Manager. We defined Key Role Areas (KRAs) based on the division made in the activities of the department.

## Get a customized report of AR Ageing from a representative of software to track

## receivables from Outlets and Franchises

**Exhibit - AR Ageing Schedule with slabs for Institutions (amounts are in INR)**

Accounts Receivable Name	0-30 days	30-45 days	45-60 days	60-90 days	90 days and above	Total
AKCI Limited	0	20,00,000	0	30,00,000	0	50,00,000
Defaulter Limited	0	0	0	0	50,00,000	50,00,000
Wise Limited	20,00,000	0	0	0	0	20,00,000
Good Payer Limited	5,00,000	0	0	0	0	5,00,000
<b>Total</b>	<b>25,00,000</b>	<b>20,00,000</b>	<b>0</b>	<b>30,00,000</b>	<b>50,00,000</b>	<b>1,25,00,000</b>

**Authority to be involved**

Accounts Receivable Executive	Accounts Receivable Executive	Accounts Receivable Executive	Finance Manager	Managing Director
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**Action to be taken**

Collect Money via Call	Collect Money via Call	Follow up to know challenges at the customer end	Physical Visit my the Finance Manager	Hold the work until monies are received. Shift Account to NPA
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Source: DMS research | DMS | Strictly Private and Confidential | 15-05-2023 | 35

Exhibit 9: A flagging system was introduced to prevent AR amounts to pile up locking cash flow

DMS defined a systematic way to track the receivables from the customer and outlets by extracting report from the financial software used for accounting. We defined the escalation and flagging system for Receivables. Similarly, we prepared an ageing report for Payables and Inventory.

## Finance manager started reviewing weekly work of Accounts Receivable Executive and reported all the work to key stakeholders monthly

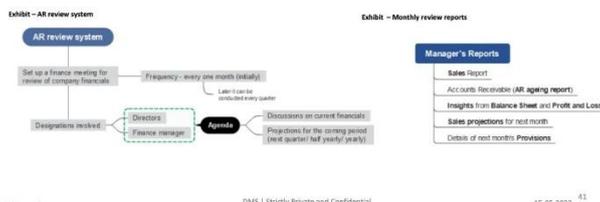


Exhibit 10: AR review system and reports to be prepared

We formulated a review system for the work conducted by the Finance team to ensure timely information flow to the Partners of the company.

## Processes for Salaries and vendors were established along with defining the chronology of payments.

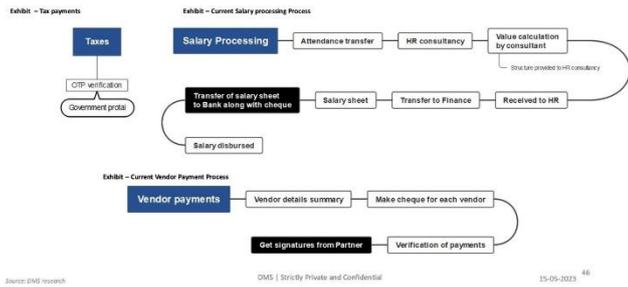


Exhibit 11: Salary and Vendor Payments were standardized

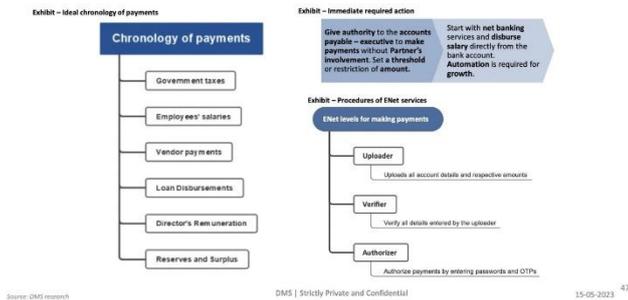


Exhibit 12: Chronology of payments were defined

The Client was advised to set threshold for the payments and delegate the responsibilities to the Finance team to eliminate the dependency on Partners. Due to traditional manual practises of disbursements of salaries, DMS suggested availing the E-Net services from their existing bank.

**Fixed dates for payments to ensure the payments are not released as and when required to instil a robust finance system**

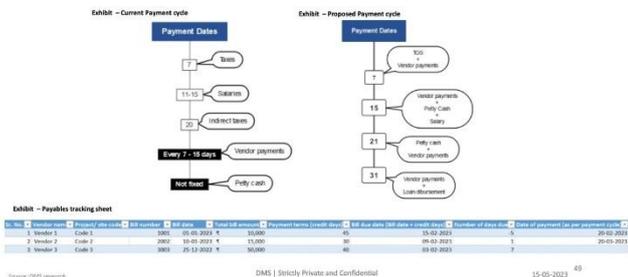


Exhibit 13: Payment cycles were defined for collection targets and clarity

Ad hoc release of payments from the company was reducing the payable cycle and disrupting the arrangement of funds for the payments. This was leading to Partners infusing amounts through current capital account. We defined a payable tracking sheet to release payments through target dates and help them plan the cash flow better.

We further assessed the inventory to see whether the client can unlock cash from inventory

**The client cleared the inventory of Packing aged above 90 days and decided the pre-order levels accordingly to avoid unnecessary cash getting locked**

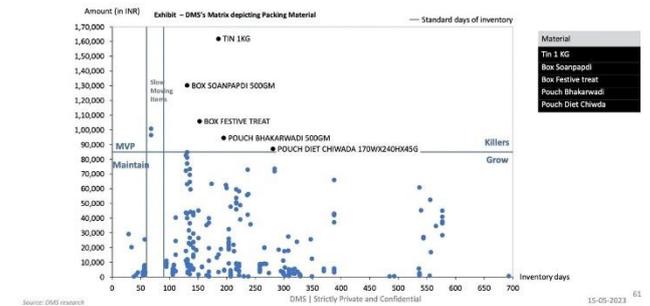


Exhibit 14: Amounts were locked in packaging inventory

We further examined the problem to identify the complications in clearing the packing material which was stuck in packaged goods. Firstly, by mapping the material on a graph based on cost and inventory days, we found that some of the packing material was high in cost and had been kept for more than 100 days. We performed a similar analysis with the semi-finished goods, Godown FG, Dispatch FG, and consumables.

**Selling products through general trade unlocked ~INR 51,592 per month from the slow-moving inventory of packing**

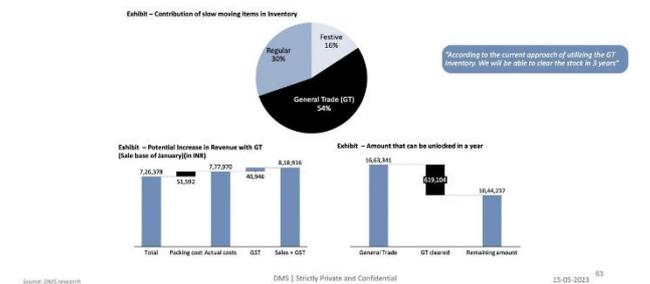


Exhibit 15: Packing inventory was to be reduced by restarting General Trade (GT)

Selling the products through general trade would unlock ~INR 51,592 per month improving the yield and releasing the locked material and cash from the inventory

Client started maintaining a minimum stock limit for each SKU and ensured that batch sizes are planned accurately by the production head before the requisition

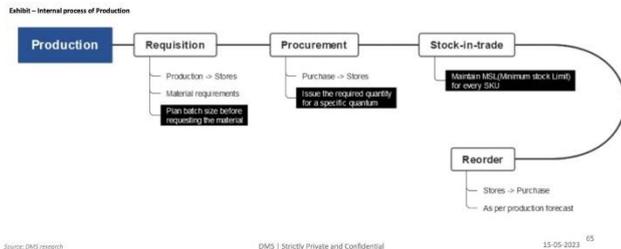


Exhibit 16: Procurement process was standardised

To prevent shortage or more than needed material, the client was advised to plan the production and accordingly the stores and purchase team would plan the procurement of material from the vendor, simultaneously keeping a minimum stock limit and issue the material as and when required.

Read next: Wall of Wisdom

## WALL OF WISDOM (WOW):

- "We are not what we know but what we are willing to learn."
- "A problem is a chance for you to do your best."

*Read next: Do you know?*

## DO YOU KNOW?

1. There are 293 ways to make change for a dollar.
2. Tigers have striped skin, not just striped fur.

## What else do You Know?

**Let us know.**

*Read next: Motivational Quote*

## MOTIVATIONAL QUOTE:

**"Present changes the past. Looking back, you do not find what you left."**

**— Kiran Desai**

### 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-

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Phone: +91 20-67426111

Email – [knd@dahotreanddahotre.com](mailto: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-2024	1 TDS/TCS Payment	March 2024	TDS 30/04/2024 and TCS 07/04/2024
May-2024	1 TDS/TCS Payment	April 2024	07/05/2024
	2 TDS Statement for Form 24Q, 26Q and 27Q	Q4 FY 2023-24	31/05/2024
	3 TCS Statement– for Form 26QB, 26QC, 26QD	Q4 FY 2023-24	15/05/2024
	4 Statement of Financial Transactions (SFT) Compliance	FY 2023-24	31/05/2024
June-2024	1 TDS/TCS Payment	May 2024	07/06/2024
	2 Advance Tax	1 <sup>st</sup> Installment of FY 2024-25	15/06/2024
	3 Form 16/ 16A	Q4 FY 2023-24	15/06/2024
July-2024	1 TDS/TCS Payment	June 2024	07/07/2024
	2 TDS Statement for Form 24Q	Q1 FY 2024-25	31/07/2024
	3 TCS Statement– for Form 26QB, 26QC, 26QD	Q1 FY 2024-25	15/07/2024
	4 Income tax Return for A.Y. 2024-25 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 2023-24	31/07/2024
August-2024	1 TDS/TCS Payment	July 2024	07/08/2024
September-2024	1 TDS/TCS Payment	August 2024	07/09/2024
	2 Advance Tax	2 <sup>nd</sup> Instalment FY 2024-25	15/09/2024
	3 Due date for filing of audit report under Section 44AB for AY 2024-25 in the case of a corporate- assessee or non-corporate assessee (who is	FY 2023-24	30/09/2024

required to submit his/its return of income on October 31, 2024)

Q1 FY 2024-25

**TDS Statement for Form 26Q and 27Q**

30/09/2024

<b>October-2024</b>	1	TDS/TCS Payment	September 2024	07/10/2024
	2	Due date for filing of return of income for AY 2024-25 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 2023-24	31/10/2024
	3	TDS Statement for Form 24Q, 26Q and 27Q	Q2 FY 2024-25	31/10/2024
	4	TCS Statement– for Form 26QB, 26QC, 26QD	Q2 FY 2024-25	15/10/2024
<b>November-2024</b>	1	TDS/TCS Payment	October 2024	07/11/2024
<b>December-2024</b>	1	TDS/TCS Payment	November 2024	07/12/2024
	2	Advance Tax	3 <sup>rd</sup> Installment FY 2024-25	15/12/2024
	3	<b>Filing of belated/revised return of income for the assessment year 2024-25 for all assessee.</b>	<b>FY 2023-24</b>	<b>31/12/2024</b>
<b>January-2025</b>	1	TDS/TCS Payment	December 2024	07/01/2025
	2	TDS Statement for Form 24Q, 26Q and 27Q	Q3 FY 2024-25	31/01/2025
	3	TCS Statement– for Form 26QB, 26QC, 26QD	Q3 FY 2024-25	15/01/2025
<b>February-2025</b>	1	TDS/TCS Payment	January 2025	07/02/2025
<b>March-2025</b>	1	Advance Tax	4 <sup>th</sup> Installment of FY 2024-25	15/03/2025
	2	TDS/TCS Payment	February 2025	07/03/2025

## GOODS AND SERVICES TAX ACT

Due Dates in the Month of	Particulars	For the Period	Due Date	
April-2024	1	GSTR 1 (Regular Taxpayers)	March 2024	11/04/2024
	2	GSTR 1 (Quarterly Taxpayers)	March 2024	13/04/2024
	3	GSTR 3B (Monthly Return)	March 2024	20/04/2024
	3	GSTR 3B (Quarterly Return)	Jan to Mar 2024	22/04/2024
	4	CMP 08	Jan to Mar 2024	18/04/2024
	5	GSTR 4(Annual Return under Composition scheme)	Apr 2023 to Mar 2024	30/04/2024
May-2024	1	GSTR 1 (Regular Taxpayers)	April 2024	11/05/2024
	2	GSTR 3B (Monthly Return)	April 2024	20/05/2024
	3	Monthly Tax Payment under QRMP Scheme(PMT 06)	April 2024	25/05/2024
June-2024	1	GSTR 1 (Regular Taxpayers)	May 2024	11/06/2024
	2	GSTR 3B (Monthly Return)	May 2024	20/06/2024
	3	Monthly Tax Payment under QRMP Scheme(PMT 06)	May 2024	25/06/2024
July-2024	1	GSTR 1 (Regular Taxpayers)	June 2024	11/07/2024
	2	GSTR 1 (Quarterly Taxpayers)	Apr to June 2024	13/07/2024
	3	GSTR 3B (Monthly Return)	June 2024	20/07/2024
	4	GSTR 3B Quarterly Return)	June 2024	22/07/2024
	5	CMP-08	Apr to June 2024	18/07/2024
	1	GSTR 1 (Regular Taxpayers)	July 2024	11/08/2024
	2	GSTR 3B (Monthly Return)	July 2024	20/08/2024

August-2024	3	Monthly Tax Payment under QRMP Scheme(PMT 06)	July 2024	25/08/2024
	1	GSTR 1 (Regular Taxpayers)	August 2024	11/09/2024
September-2024	2	GSTR 3B (Monthly Return)	August 2024	20/09/2024
	3	Monthly Tax Payment under QRMP Scheme(PMT 06)	August 2024	25/09/2024
	1	GSTR 1 (Regular Taxpayers)	September 2024	11/10/2024
October-2024	2	GSTR 1 (Quarterly Taxpayers)	July to Sept 2024	13/10/2024
	3	GSTR 3B (Monthly Return)	September 2024	20/10/2024
	4	GSTR 3B (Quarterly Return)	July to Sept 2024	22/10/2024
	5	CMP-08	July to Sept 2024	18/10/2024
	1	GSTR 1 (Regular Taxpayers)	October 2024	11/11/2024
November-2024	2	GSTR 3B (Monthly Return)	October 2024	20/11/2024
	3	Monthly Tax Payment under ORMP Scheme(PMT 06)	October 2024	25/11/2024
	1	GSTR 1 (Regular Taxpayers)	November 2024	11/12/2024
December-2024	2	GSTR 3B (Monthly Return)	November 2024	20/12/2024
	3	Monthly Tax Payment under ORMP Scheme(PMT 06)	November 2024	25/12/2024
	4	GSTR-9( Annual Return)	FY 2023-24	31/12/2024
	1	GSTR 1 (Regular Taxpayers)	December 2024	11/01/2025
January-2025	2	GSTR 1 (Quarterly Return)	Oct to Dec 2024	13/01/2025
	3	GSTR 3B (Monthly Return)	December 2024	20/01/2025
	4	GSTR 3B Quarterly Return)	Oct to Dec 2024	22/01/2025
	5	CMP-08	Oct to Dec 2024	18/01/2025
	February-2025	1	GSTR 1 (Regular Taxpayers)	January 2025
2		GSTR 3B (Monthly Return)	January 2025	20/02/2025
3		Monthly Tax Payment under QRMP	January 2025	25/02/2025

		Scheme(PMT 06)		
<b>March-2025</b>	1	GSTR 1 (Regular Taxpayers)	February 2025	11/03/2025
	2	GSTR 3B (Monthly Return)	February 2025	20/03/2025
	3	Monthly Tax Payment under QRMP Scheme(PMT 06)	February 2025	25/03/2025
<b>April-2025</b>	1	GSTR 1 (Regular Taxpayers)	March 2025	11/04/2025
	2	GSTR 1 (Quarterly Return)	Jan to Mar 2025	13/04/2025
	3	GSTR 3B (Monthly Return)	March 2025	20/04/2025
	4	GSTR 3B Quarterly Return)	Jan to Mar 2025	22/04/2025
	5	CMP-08	Jan to Mar 2025	18/04/2025
	6	GSTR 4(Annual Return under Composition scheme)	Apr 2024 to Mar 2025	30-04-2025

## COMPANIES ACT

Due Dates in the Month of	Particulars	Description	Due Date
April-2024	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 <sup>th</sup> April 2024 (For the period of October'23 – March'24)
May-2024	LLP FORM-11	Annual Return (to be filed by all LLP's irrespective of turnover)	30 <sup>th</sup> May 2024
June-2024	DPT-3	<b>To be filed in case company has deposit or exempted deposit.</b>	<b>30<sup>th</sup> June 2024</b>
September-2024	DIR-3 KYC	Form for Director KYC. Need to be filed mandatorily for every director on Board	30 <sup>th</sup> September 2024
October-2024	ADT-1	Form for Auditor Appointment	15 <sup>th</sup> October 2024
	AOC-4	Form for filing Financials, Auditors Report, Directors Report, etc.	30 <sup>th</sup> October 2024
	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.	31 <sup>st</sup> October 2024 (For the period of April'24 – September'24)
November-2024	MGT-7	ROC Annual Return (Details of Shareholding etc.)	29 <sup>th</sup> November 2024
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-2024	PTEC	Person who stands enrolled before the commencement of a year or is enrolled on or before 31st May of a year (F.Y. 2023-24)	30/06/2024
		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-2025	PTRC	<b>Yearly</b> - Tax Liability is less than INR 1,00,000/-	31/03/2024
		<b>Monthly</b> - 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 2024	1 Monthly Return (VAT payment)	March 2024	21/04/2024
	2 Quarterly Return (VAT payment)	January 2024 to March 2024	21/04/2024
May 2024	1 Monthly Return (VAT payment)	April 2024	21/05/2024
June 2024	1 Monthly Return (VAT payment)	May 2024	21/06/2024
July 2024	1 Monthly Return (VAT payment)	June 2024	21/07/2024
	2 Quarterly Return (VAT payment)	April 2024 to June 2024	21/07/2024
August 2024	1 Monthly Return (VAT payment)	July 2024	21/08/2024
September 2024	1 Monthly Return (VAT payment)	August 2024	21/09/2024
	1 Monthly Return (VAT payment)	September 2024	21/10/2024
October 2024	2 Quarterly Return (VAT payment)	July 2024 to September 2024	21/10/2024
	1 Monthly Return (VAT payment)	October 2024	21/11/2024
November 2024	1 Monthly Return (VAT payment)	November 2024	21/12/2024
	1 Monthly Return (VAT payment)	December 2024	21/01/2025
January 2025	2 VAT Audit (Form 704)	F.Y. 2023-2024	15/01/2025
	3 Quarterly Return (VAT payment)	October 2024 to December 2024	21/01/2025
February 2025	1 Monthly Return (VAT payment)	January 2025	21/02/2025
March 2025	1 Monthly Return (VAT payment)	February 2025	21/03/2025

## 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 2023	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	<a href="#">Notification No 40.2022</a>	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	<a href="#">Notification No 41.2022</a>	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	<a href="#">Circular No 24.2022</a>	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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