

DAHOTRE & DAHOTRE
Chartered Accountants



Knowledge and Development Committee

Newsletter

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Editor-in-Chief's Message

Hello readers!

Welcome to the **30**th Newsletter Edition of 2024.

In this issue, we will discuss Mutual Funds and A brief overview on Peer Review And Quality Review.

Vinod Jangid
Editor-in-chief

Team's Message

"Life isn't about finding yourself.
Life is about creating yourself."

Neha Deshmane
Senior Associate

Short Updates:

Direct Tax

- The Union Budget 2024 has proposed that there will only be two holding periods -- 12 months and 24 months -- for determining whether the capital gains are short-term or long-term, and tax rates have been rationalized and made uniform for the majority of assets.
- Further, the indexation benefit has been done away with in Budget 2024, while raising the exemption limit of INR 1 lakh for Long-term Capital Gains (LTCG) on these assets such as listed shares and mutual funds to INR 1.25 lakh.
- Short-term capital gains (STCG) tax has been increased to 20 percent, and LTCG tax is now 12.5 percent for specific assets. Additionally, the Securities Transaction Tax (STT) has been hiked from 0.1 percent to 0.2 percent for equity transactions.

ROC

- These rules may be called the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2024.
- 1. These rules shall come into force on the date of their publication in Official Gazette.
- 2. In the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as the said rules), –
 - (a) For the letters and figures, "IEPF-3", wherever they occur, the letters and figures, "IEPF-4", shall be substituted; (b) for the letters and figures, "IEPF-7", wherever they occur, the letters and figures, "IEPF- 1", shall be substituted.

01 General Mutual Funds



Shubham Nalawade

A mutual fund is an investment vehicle that pools funds from investors and invests in equities, bonds, government securities, gold, and other assets. Companies that qualify to set up mutual funds, create Asset Management Companies (AMCs) or Fund Houses, which pool in the money from investors, market mutual funds, manage investments, and enable investor transactions.

Mutual funds are managed by sound financial professionals known as fund managers, who have the expertise in analysing and managing investments. The funds collected from investors in mutual funds are invested by the fund managers in different financial assets such as stocks, bonds, and other assets, as defined by the fund's investment objective. Where and when to invest are some of the things taken care of by the fund managers, amongst many other responsibilities. For the fund's management, the AMC charges a fee to the investor known as the expense ratio. It is not a fixed fee and varies from one mutual fund to another. SEBI has defined the maximum limit of the expense ratio that can be charged based on the total assets of the fund.

How Do Mutual Funds Work?

- To understand how mutual funds work, let us first understand the concept of NAV (Net Asset Value). NAV per unit is the price at which investors can buy or redeem their mutual fund investments. Investors in mutual funds are allotted units proportional to their investments and this is calculated based on the NAV. For example, if you invest INR 500 in a mutual fund with an NAV of Rs

10, you will get $(500/10)$, 50 units of the mutual fund.

- Now, the NAV of the mutual fund changes every day based on the performance of the assets in which the mutual fund is invested in. If a mutual fund invests in a particular stock whose price goes up tomorrow, the same will reflect in the NAV of the mutual fund and vice versa. So, in the above example, if the NAV of the mutual fund goes up to INR 20, then your 50 units that amounted to Rs 500 earlier will now amount to INR 1000 $(50 \text{ units} \times \text{INR } 20)$. Hence, the mutual fund's performance is driven by its underlying assets, which generate its returns to investors.
- So, if you redeem your mutual fund units, you shall receive INR 1000 against the INR 500 you originally paid. This gain of INR 500 is known as a capital gain. The market value of the mutual fund portfolio is not fixed but varies every day; consequently, NAV also tends to change daily, based on the valuation of the fund portfolio. Hence, this gain of INR 500 can be a loss also, depending on how the NAV moves and the underlying assets perform. Since mutual fund investments are market-linked, the returns are not guaranteed and are also, dynamic in nature.
- Mutual fund returns (capital gains) are subject to tax, known as capital gains tax. Capital gains tax will impact when you choose to redeem your investment; like in the example above you will be liable to pay a tax on the INR 500 you have earned. Bear in mind two things though:
- The capital gains tax is applicable only if you redeem the investment and not if you stay invested.
- The extent of capital gains tax will depend on the types of mutual funds and your investment holding.

Types of Mutual Funds

There are multiple ways in which mutual funds can be categorized, for example, the way they are structured, the kind of securities they hold, their investment strategies, etc. The Securities and Exchange Board of India (SEBI) has classified mutual

funds based on where they invest, some of which we have listed below.

Based on the structure:

1. Open-ended funds are mutual funds that allow you to invest and redeem investments at any time, i.e. they are perpetual in nature. They are liquid in nature and don't come with a specific investment period.
2. Close-ended schemes have a fixed maturity date. You can only invest at the time of the new fund offer and redemption can only be done on maturity. You cannot purchase the units of a close-ended mutual fund whenever you please.

Based on asset classes:

1. Equity Mutual Funds invest at least 65% of their assets in stocks of companies listed on the stock exchange. They are more suitable as long-term investments (> 5 years) as stocks can be volatile in the short term. They have the potential to offer higher returns but also come with high risk.
2. Debt Mutual Funds primarily invest in fixed-income instruments like Government securities, corporate bonds, and other debt instruments. They are not affected by stock market volatility and hence, can offer more stable returns compared to equity mutual funds. The types of debt mutual funds are differentiated on the basis of the maturity period of the securities they hold.
3. Hybrid Mutual Funds invest in both equity and debt in varying proportions depending on the investment objective of the fund. Thus, hybrid funds give you diversified exposure to various asset classes. Hybrid funds are categorized on the basis of their allocation to equity and debt.

Features & Benefits of Mutual Funds

Now that we know what mutual funds are and how they work along with their types, let us look at the advantages of investing in mutual funds.

1. Diversification: The saying 'do not put all your eggs in one basket' perfectly fits mutual funds as

spreading investment across multiple securities and asset categories lowers risk. For example, compared to direct equity investing, where your funds are deployed in individual company stocks, equity mutual funds invest in a basket of stocks across sectors, thereby reducing risk.

2. Professional management: Mutual funds are managed by full-time, professional fund managers who have the expertise, experience, and resources to actively buy, sell, and manage investments. A fund manager continuously monitors investments and rebalances the portfolio accordingly to meet the scheme's objectives.
3. Transparency: Every mutual fund has a Scheme Information Document readily available on the fund house's website that can give you all the details about its holdings, fund manager, etc. In addition, the portfolio investment value (NAV) is published daily on the AMC site, and AMFI site for investors to track the portfolio of the mutual fund.
4. Liquidity: You can redeem your investments on any business/working day at the NAV of the day of your redemption. So, depending on the type of mutual fund you have invested in, you will receive your invested funds in your bank account in 1-3 days. However, close-ended funds allow redemption only at the time of the maturity of the mutual fund. Similarly, ELSS mutual funds have a lock-in period of three years.
5. Tax Savings: Investment of up to INR 1, 50,000 in ELSS mutual funds qualifies for tax benefit under section 80C of the Income Tax Act, 1961. Mutual fund investments, when held for a longer term, are tax-efficient.
6. Choice: There are many options to invest in mutual funds to meet your different needs. To name a few- Liquid funds, are for investors looking to benefit from the safety of debt and low-interest rate risk, flexi-cap funds if you are looking for stock diversification, and solution-oriented mutual funds if you are looking to invest for a particular goal like retirement or children's education, etc.

7. **Cost-effective:** Mutual funds are a low-cost investment vehicle. The pooled investments from several investors in a mutual fund enable the fund to invest in a basket of stocks and debt securities which otherwise may be out of reach for the ordinary investor or require a higher investment amount. Thus, these pooled investments provide advantages of economies of scale. In return, lower costs to investors, such as brokerage, etc., are addressed in the minor form of fund expenses. This is why investing in direct mutual funds through ET Money makes sense because that helps you decrease the cost further.
8. **Returns:** Mutual fund returns are not assured by mutual funds and are subject to market risks. But over the long term, equity mutual funds have the potential to deliver double-digit returns annually. Debt funds can also offer higher returns as compared to bank deposits. You can also calculate your potential returns, using a mutual fund calculator.
9. **Well Regulated:** In India, the mutual fund industry is regulated by the capital market regulator Securities and Exchange Board of India (SEBI). Therefore, mutual funds must follow stringent rules and regulations, ensuring investor protection, risk mitigation, liquidity, and fair valuation.

Disadvantages of Mutual Funds

Now, let us have a look at the cons of investing in mutual funds.

1. **Exit Load:** Mutual funds generally levy an exit load (fee) for redeeming investments within a specified period, for example, one year from the date of investment. This is done to refrain the investor from exiting the scheme too early, as it impacts both the fund's performance and the investor's goal achievement. When investing directly in stocks, say, you do not face any exit load and in comparison, this may seem like an added expense. However, this has been introduced in the investors' interest.
2. **High cost:** SEBI has defined the maximum limit of expense ratios that mutual fund houses can

charge and they depend on the mutual fund's size. As the size grows, the expense tends to come down. The maximum expense ratio that is chargeable for an equity-oriented mutual fund is 2.25%. And you have to bear this charge irrespective of the performance of the fund. When compared to another mode of investment, say, direct stocks, you may find the expense ratio to be higher than the brokerage you pay. But then it is being paid for the convenience and expertise, so, it is a balance that you need to achieve.

3. **Over-diversification:** In the quest to diversify your investments, you may invest in mutual funds, which invest in a vast number of stocks, leading to over-diversification. Not all the stocks of a portfolio would deliver high returns all the time. You may end up investing in two mutual funds holding similar portfolios which may then lead to over-diversification. It is advisable to study the mutual fund portfolio before you invest.
4. **Risk:** Investments in mutual funds are subject to market risk. The risk of losses faced by all types of securities in the financial markets cannot be reduced by diversification. Market risks may occur due to many macro and microeconomic factors. For example, equity mutual funds are subject to volatility risk owing to fluctuations in the stock market whereas debt mutual funds are subject to interest rate risk which is caused by fluctuations in the interest rates and so on.

Mutual funds offer investors a reliable, time-tested method of growing investments at a rate faster than traditional investment instruments. They have the potential to offer higher returns, capital growth, and income generation, provide a hedge against inflation, and enable fund generation to meet various long- and short-term needs.

Read next: Peer Review and Quality Review

02 Audit

Peer Review And Quality Review



Sarthak Gite

The Institute of Chartered Accountants of India (ICAI) has mandated a peer review for firms providing assurance services.

This article aims to provide an overview of the process, guidelines for initiating peer reviews, and ensuring timely compliance with ICAI mandates.

Objective of Peer Review

ICAI has initiated the process of Peer Review process to ensure that practicing units while carrying out the assurance service assignments comply with:

- Technical
- Professional
- Ethical

Standards as applicable including other regulatory requirements thereto

- The very purpose of the Peer Review is to ensure high quality of professional standard, documentation and demonstrate the overall quality of the assurance services.
- The roadmap has classified Practice firms into different categories and outlined the implementation of peer review process by 2025 covering each practicing unit.

Peer Review Mandate

- Holding a valid Peer Review certificate by Practice Units (referred to as 'firms') should be a pre-requisite for undertaking audit of all entities falling under phase I; II; III and IV of the mandate from respective dates of mandate becoming operative 1st April' 2022.
- The Securities and Exchange Board of India (SEBI), the regulatory body for securities and commodity market in
- India, has already mandated Peer Review for auditors who are conducting statutory audit of listed entities.
- The SEBI Circular No. CIR/CFD/DIL/1/2010 dated April 5, 2010 states – "in respect of all listed entities, limited review/statutory audit reports submitted to the concerned stock exchanges shall be given only by those auditors who have subjected themselves to the peer review process of ICAI and who hold a valid certificate issued by the 'Peer Review Board' of the Institute."

Phase (1.04.2022)

- Practice Units which propose to undertake Statutory Audit of enterprises whose equity or debt securities are listed in India or abroad as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Phase (01.04.2023)

- Practice Units which propose to undertake Statutory Audit of unlisted public companies having paid-up capital of not less than rupees five hundred crores or having annual turnover of not less than rupees one thousand crores or having, in aggregate, outstanding loans, debentures and deposits of not less than rupees five hundred crores as on the 31st March of immediately preceding financial year: For these Practice Units, there is a pre-requisite of having Peer Review Certificate.

OR

- Practice Units rendering attestation services and having 5 or more partners: For these Practice Units, there is a pre-requisite of having a Peer Review Certificate before accepting any statutory audit.

Phase (01.04.2024)

- Practice Units which propose to undertake the Statutory Audit of entities which have raised funds from public or banks or financial institutions of over Fifty Crores rupees during the period under review or of anybody corporate including trusts which are covered under public interest entities : For these Practice Units, there is a pre-requisite of having Peer Review Certificate

OR

- Practice Units rendering attestation services and having 4 or more partners: For these Practice Units, there is a pre-requisite of having Peer Review Certificate before accepting any statutory audit.

Phase (01.04.2025)

- Practice Units which propose to undertake audits of branches of Public Sector banks: For these Practice Units, there is a pre-requisite of having Peer Review Certificate.

OR

- Practice Units rendering attestation services and having 3 or more partners: For these Practice Units, there is a pre-requisite of having Peer Review Certificate before accepting any statutory audit.

Peer Review Process Overview.

The Practice unit has to submit Form-1 to the Board at the e-mail id . This can be done either by requesting the said Form -1 via email or can also be downloaded from Peer Review page of ICAI website. The Form-1 is divided into two sections the first part is the application and second part is pertaining to detailed information related to the following:

1. Particulars regarding constitution of the Practice Unit; paid assistant/ staff including qualified members of the Institute and other professional bodies; details of branches etc. as per ICAI Firm card and pertaining to the Peer Review Period has to be provided. Peer Review period means three years
2. Preceding the year in which the practicing firm making an application to be peer-reviewed detailing all assurance services signed by the applicant firm during the previous three years. Under this section, various aspects of the quality controls within the Practice Unit like policies and procedures addressing leadership responsibility, ethical requirements, acceptance and continuance of client relationships, human resources, engagement performance and monitoring, etc. The reference shall be made to SQC-1.
3. The third section is applicable for Practice firms conducting statutory audits of listed entities (other than branches of banks and Insurance companies) the Practice Unit has to provide self-evaluation scores for each clause/sub-clause.

Post submission of Form-1 the Peer review board gives an option to the applicant firm to select one reviewer out of three reviewer allotted. Post selection of the reviewer the reviewer has to sign Form-2– Confidentiality declaration to the applicant firm. The reviewer has to complete the review and submit the report to the board within stipulated time period. After consideration and approval the Peer review certificate is being issued to the Practicing firm.

Benefits of Peer Review Certificate

Some of the areas which may provide/ enhance professional growth/ opportunities both for Reviewer and Reviewee could be as under:

- Training of Reviewer and Reviewee would lead to updating of knowledge and consequently expansion of horizon of professional opportunities.
- For C&AG empanelment of CA firms/LLP's and appointment maximum of 5 points are allotted to a Practice Unit having a Peer Review certificate as

on 1st January of the year in which the application has been made for empanelment.

- Peer Review serves as a quality assurance certificate and invites preference from regulatory and other authorities while assigning professional work to Practicing units.
- Enhancement in the competence of members since such a process greatly increases the awareness about the implementation of Technical Standards both on the part of Reviewer and Reviewee.
- With the peer review mechanism the ICAI to build up the public confidence in the quality of audit and assurance services provided by the Practicing firms. Further, it also shapes up as a strong base to build a sense a confidence, fulfils the expectations of the stakeholders which is going to nurture the profession be more reliable and stronger tomorrow.

Read next: Wall of Wisdom

WALL OF WISDOM (WOW):

- "He who conquers himself is the mightiest warrior"
- "Live out of your imagination, not your history."

Read next: Do you know?

DO YOU KNOW?

1. The national flag with the most colours in it is Belize (1981), with 12.
2. The first hand-held mobile phone call was made on April 3rd, 1973, in NYC.

What else do You Know?

Let us know.

Read next: Motivational Quote

MOTIVATIONAL QUOTE:

"Winners don't do different things; they do things differently"

— Shiv Khera

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 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 st 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 nd 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

October-2024	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
November-2024	1	TDS/TCS Payment	October 2024	07/11/2024
December-2024	1	TDS/TCS Payment	November 2024	07/12/2024
	2	Advance Tax	3 rd Installment FY 2024-25	15/12/2024
	3	Filing of belated/revised return of income for the assessment year 2024-25 for all assessee.	FY 2023-24	31/12/2024
January-2025	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
February-2025	1	TDS/TCS Payment	January 2025	07/02/2025
March-2025	1	Advance Tax	4 th 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)		
March-2025	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
April-2025	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 th 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 th May 2024
June-2024	DPT-3	To be filed in case company has deposit or exempted deposit.	30th June 2024
September-2024	DIR-3 KYC	Form for Director KYC. Need to be filed mandatorily for every director on Board	30 th September 2024
October-2024	ADT-1	Form for Auditor Appointment	15 th October 2024
	AOC-4	Form for filing Financials, Auditors Report, Directors Report, etc.	30 th 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 st October 2024 (For the period of April'24 – September'24)
November-2024	MGT-7	ROC Annual Return (Details of Shareholding etc.)	29 th 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	Yearly - Tax Liability is less than INR 1,00,000/-	31/03/2024
		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 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	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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