

**DAHOTRE & DAHOTRE**  
Chartered Accountants



Knowledge and Development Committee

# Newsletter

Period of Update: 2<sup>nd</sup> September 2024 to 8<sup>th</sup> September 2024  
Period of Issue: 9<sup>th</sup> September 2024 to 15<sup>th</sup> September 2024

© 2021-2022 Varun A Dahotre and Associates. All Rights Reserved.

## Contents

01. [Short Updates](#)
02. [Conversion of Capital Assets into Stock In Trade](#)
03. [Gaming Industry in India: A Rapidly Growing Sector](#)
04. [Brief discussion on 54th GST Council Meeting](#)
05. [Statutory Due Dates Calendar](#)
06. [Amendment Summary](#)

## Editor-in-Chief's Message

Hello readers!

Welcome to the **35<sup>th</sup>** Newsletter Edition of 2024.

In this issue, we will discuss Conversion of Capital Assets into Stock In Trade and Gaming Industry in India: A Rapidly Growing Sector. Also, we will know about Brief discussion on 54th GST Council Meeting.

**Vinod Jangid**  
Editor-in-chief

## Team's Message

"Individually, we are a drop. Together, we are an ocean."

**Akash Patel**  
Senior Leader(Audit)

## Short Updates:

### ROC

- The Ministry of Corporate Affairs is launching Company ADJ form on 16th September 2024 at 12:00 AM.
- Purpose of the EForm An adjudicating officer(s), not below the rank of Registrar, appointed by Central Government can impose any penalty on the company and the officer who is in default stating any non-compliance or default under the provisions of the Companies Act, 2013. All stakeholders are advised to ensure that there are no SRNs in pending payment and Resubmission status.

### Direct Tax

- While you may have filed your income tax return (ITR) and verified it also, it may not be sufficient to

ensure that you get your tax refund on time as it may depend on many other factors.

- Before the tax department issues a refund, certain checks and balances must be met. One such measure is the 'Risk Management System (RMS),' which the tax department employs to identify ITRs that may warrant further scrutiny. If your ITR has been identified by the tax department's RMS, then an intimation will be sent to your email address. You can also view this intimation on the e-filing portal (steps to view are given below).
- Once the tax department's RMS has identified your submitted and verified ITR, it will not be processed until you fix the issue. In the worst-case scenario, if you decide not to take any action, then the tax department can issue you an income tax notice.

## 01 Direct Tax Conversion of Capital Assets into Stock In Trade



Isha Dagra

### PROVISIONS OF SECTION 45(2) OF THE INCOME TAX ACT, 1961

Provisions of Section 45(2) deals with situation when Capital Asset is converted into Stock-in-trade of the business by the assessee and provides method for computation of Capital Gain on such conversion. In real estate business, we generally come through this situation on various occasions in which an assessee converts his capital asset into Stock-in-trade. As per provisions of Section 45(2)(iv) of the Act, 1961 the moment an assessee starts treating his/her Capital Asset as Stock-in-trade for his/her business the moment liability of Capital Gain arises. But we know that real estate asset will be generated and ready for sale after a long period of time. The Landowner or assessee at the initial stage at the time of entering into a Joint Development Agreement with builder is not in a position to pay whole amount of Capital Gain Tax on conversion of his/her Capital Assets into business asset

The provisions of Section 45(2) provides leverage in payment of Capital Gain tax to the assessee and deferred the incidence of payment of tax in future.

#### OBJECTIVE BEHIND INSERTION OF SECTION

- “Under section 45(2) of the Income-tax Act, 1961 (hereinafter referred to as the Act) the term transfer in relation to a capital asset, has been defined to include the sale, exchange or relinquishment of the asset; or the extinguishment of any rights therein; or the

compulsory acquisition of the asset under any law.

- Under the existing provisions, an assessee who converts a capital asset owned by him into a trading asset of his business and then sells the converted asset is able to avoid payment of tax on the capital gains represented by the appreciation in the value of the asset up to the date of its conversion.
- This is because the assessee can claim that the mere conversion of a capital asset into a trading asset does not amount to a transfer. The assessee can also claim that for the purposes of determining his business profits from the sale of the converted asset, the cost of such asset should be taken as its market value on the date of its conversion into a trading asset and not its actual cost of acquisition to him.
- Hence, when the converted capital asset is sold by him as stock-in-trade, only the difference between sale price and market value of the stock-in-trade on the date of the conversion of the capital asset can be regarded as profit accruing to the assessee from the transaction.
- With a view to preventing the avoidance of tax on such capital gains through the device of converting a capital asset into a trading asset, the Amending Act has substituted the definition of transfer in section 45(2) of the Act by a new definition to provide that, in a case where a capital asset is converted by the owner thereof into, or is treated by him as, stock-in-trade of a business carried on by him, such conversion or treatment shall also be regarded as a transfer of the assets .”

#### SECTION 45(2) OF THE INCOME TAX ACT, 1961:

Provides that when the Capital Asset is converted into Stock-in-Trade by an assessee, the profits or gains arising on such conversion shall be charged to tax as Capital Gain in the year in which such Stock-in-Trade is sold or otherwise transferred.

Note:

1. For calculation of the Capital Gain arising from such transfer. Fair Market Value of the asset as

on the date of conversion shall be deemed to be full value of consideration accrued or received from such transfer.

2. However, such Capital Gain shall be chargeable to tax in the year in which the converted asset is sold or otherwise transferred

#### LET'S UNDERSTAND THROUGH AN EXAMPLE;

Mr. A has purchased a plot on 25/04/2010(FY 2010-11) for INR 10.00 Lakhs and converted the same plot into Stock-in-trade of his real estate business in the financial year 2019-20. The FMV (Fair Market Value) of such plot at the date of conversion was INR 100.00 Lakhs. Now such plot after conversion is sold for INR 150.00 Lakhs in Financial Year 2020-21. The Capital Gain and Business Income shall be computed as follows;

A. CAPITAL GAIN Amount(INR) Fair Market Value as on the date of conversion of Capital Asset into Stock-in-Trade i.e., in the Financial Year 2019-20 as Deemed Sale Consideration 1,00,00,000.00 Less: Indexed Cost of Acquisition (  $10,00,000 \times 289/167$ ) 17,30,538.00 LTCG computed in the Financial Year 2019-20 82,69,462.00 Note: INR 82,69,462/- is chargeable to tax in the FY 2020-21

B. BUSINESS INCOME Amount(INR) Sale consideration of converted plot in the Financial Year 2020-21 1,50,00,000.00 Less: Cost of Acquisition ( which has been treated as Stock-in-trade after conversion at FMV on the date of conversion) 1,00,00,000.00 Business Income Taxable in FY 2020-21 50,00,000.00

#### IMPORTANT FOR JOINT DEVELOPMENT AGREEMENT;

- The provisions of Section 45(2) is applicable when Capital Asset is converted into business asset by the owner of asset/land and subsequently asset is used by him by undertaking business activity. Such business activity may be taken by the owner of the land himself or with a builder/developer in a Joint Development Agreement. But it is important that the ownership of the land should not be transferred to the Builder/Developer through Joint Development Agreement. It should

be in the name of the owner of Capital Asset/Land.

- The moment ownership of land stands transferred in favor of Builder/Developer, tax liability relating to Capital Gains on conversion as well as relating to business profits subsequent to conversion shall be attracted in the hands of the landowner in the year in which such transfer takes place.
- Therefore, landowner can take advantage of the provisions of Section 45(2) only when terms of Joint Development Agreement are drafted carefully and in the guarded manner keeping in mind above mentioned provisions.

#### KIND OF ASSETS WHICH GENERALLY CONVERTED FROM CAPITAL TO BUSINESS ASSET;

1. Land acquired as investment converted as business asset to be used for business of real estate developer/builder;
2. Investment in shares converted as business asset to be used for dealing in business of shares; iii) Investment in jewellery/bullions converted as business asset for use in business as a jeweller.

#### SITUATION IN WHICH A BUSINESS ASSET IS CONVERTED INTO CAPITAL ASSET;

There may be situations in which a real estate company developed a project for sale and after some time it has decided one of unit to be used as its office. In this case conversion of a business asset into Capital Asset held. A question arises in such circumstances as to what the tax implications of such conversion of stock in trade into capital would be. There is no provision under the act treating such conversion of stock in trade into capital asset falling with the definition of transfer. Therefore, such conversion is tax neutral at this point of time and no tax liability may arise at the time of such conversion. However, such capital asset is sold /transferred at later stage ,then any profits/gains arising from sale/transfer will be treated as Capital Gains under provisions of Section 45(1) of the Act, 1961.

## CONCLUSION:

- Since there was ambiguity in assessment and treatment of conversion of Capital Assets into Stock-in-Trade before Taxation Laws (Amendment) Act, 1984. The definition of Transfer, Section 2(47) has been changed but hardship of payment of Capital gain shifted on the assessee converting his Capital Assets into Stock -in-trade, since the taxable event arises at the point of time of conversion of Capital Asset into Stock -in- trade. Since real estate business of a long term business, the developed flats/units will be available after a long period for selling. The burden of payment of Capital Gain tax arises when landowner enters into an agreement with Builder/Developer and the amount will be huge. The Government to solve this hardship deferred the payment of Capital gain tax the year in which the developed property received Occupancy Certificate/ Appropriate certificate from competent authorities for sale of flats

*Read next: Gaming Industry in India: A Rapidly Growing Sector*

## 02 General

### Gaming Industry in India: A Rapidly Growing Sector



Abhishek Maske

## Gaming Industry in India: A Rapidly Growing Sector

### Introduction

The gaming industry in India has seen exponential growth over the past few years, driven by a young demographic, increased internet penetration, and the widespread availability of affordable smartphones. As of 2024, the industry is valued at approximately USD 3.49 billion and is expected to reach USD 7.24 billion by 2029, growing at a CAGR of 15.68%<sup>1</sup>.

### Key Trends and Developments

1. Mobile Gaming Dominance
  - Mobile gaming continues to dominate the Indian market, accounting for 85% of the industry. The accessibility of smartphones and affordable data plans have made mobile gaming the preferred choice for many.
  - Popular games like PUBG Mobile and Free Fire have seen massive engagement, with millions of daily active users.
2. Government Initiatives and Regulations
  - The Indian government has shown interest in promoting the gaming industry as part of its “Digital India” initiative. Efforts include setting up an Inter-Ministerial Task Force to recommend regulations and tax structures for the online gaming sector<sup>1</sup>.
  - Recent tax hikes have led to a fivefold increase in GST revenue from online gaming, indicating the sector’s significant contribution to the economy.

### 3. Technological Advancements

- The integration of technologies like Virtual Reality (VR), Augmented Reality (AR), and the metaverse is propelling the growth of console and PC gaming. These advancements are attracting a more diverse audience and enhancing the gaming experience<sup>1</sup>.
- AI innovations are also playing a crucial role, with the gaming industry contributing to advancements in AI technology.

## Market Insights

### 1. Revenue and Growth Projections

- The Indian gaming industry clocked \$3.1 billion in revenue for FY23, with projections to reach \$7.5 billion by FY28<sup>5</sup>.
- India is one of the largest gaming markets globally, with 15.4 billion gaming downloads in FY23<sup>5</sup>.

### 2. Demographic Insights

- Over 50% of India's population is below the age of 25, and 60% of gamers are under 25 years old<sup>2</sup>. This young demographic is driving the demand for innovative and engaging gaming content.
- Female gamers are also becoming a significant part of the gaming community, contributing to the industry's growth<sup>1</sup>.

## Challenges and Opportunities

### 1) Regulatory Challenges

- While the government is supportive, the industry faces challenges related to regulatory clarity and taxation policies. A conducive regulatory environment is essential for sustainable growth<sup>4</sup>.

### 2) Opportunities for Growth

- The rise of eSports and competitive gaming presents significant opportunities. India is witnessing a surge in eSports tournaments and viewership, attracting investments from global gaming companies<sup>2</sup>.
- The potential for AI and technological innovations in gaming offers new avenues for growth and development.

## Conclusion

The gaming industry in India is poised for remarkable growth, driven by a young and tech-savvy population,

supportive government initiatives, and rapid technological advancements. As the industry continues to evolve, it presents numerous opportunities for innovation, investment, and global success.

*Read next: Brief discussion on 54th GST Council Meeting*

## 03 Indirect Tax

### Brief discussion on 54th GST Council Meeting



Vedika Pawale

The 54th GST Council Meeting, held on September 9, 2024, in New Delhi, brought several significant decisions and discussions.

#### Key Decisions and Announcements:

##### 1. Reduction in GST on Cancer Drugs:

The GST rate on cancer drugs such as Trastuzumab Deruxtecan, Osimertinib, and Durvalumab has been reduced from 12% to 5%.

##### 2. Relief on Small Digital Transactions:

The proposal to impose an 18% GST on digital transactions up to ₹2,000 has been delayed<sup>3</sup>. This decision aims to provide relief to small businesses and consumers who rely on digital payments.

##### 3. Reduction in GST on Life & Health Insurance:

The Council has set up a Group of Ministers (GoM) to explore the reduction of GST on health insurance premiums<sup>3</sup>. This move is expected to make health insurance more affordable for the public.

##### 4. GST Rate Cut on Namkeens and Snacks:

The GST rate on namkeens and certain extruded or expanded savory food products has been reduced from 18% to 12%

##### 5. Metal Scrap:

Reverse Charge Mechanism (RCM) to be introduced on supply of metal scrap by unregistered person to registered person provided that the supplier shall take registration as and when it crosses threshold limit and the recipient who is liable to pay under RCM shall pay

tax even if supplier is under threshold.

A TDS of 2% will be applicable on supply of metal scrap by registered person in B to B supply.

##### 6. Roof Mounted Package Unit (RMPU) Air Conditioning Machines for Railways:

Roof Mounted Package Unit (RMPU) Air Conditioning Machines for Railways would be classified under HSN 8415 attracting a GST rate of 28%.

##### 7. Car and Motor cycle seat:

Car seats are classifiable under 9401 and attract a GST rate of 18%. GST rate on car seats classifiable under 9401 to be increased from 18% to 28%. This

Uniform rate of 28% will be applicable prospectively for car seats of motor cars in order to bring parity with seats of motorcycles which already attract a GST rate of 28%.

##### 8. Transport of passengers by helicopters:

GST @ 5% on the transport of passengers by helicopters on seat share basis and to regularize the GST for past period on 'as is where is' basis. To also clarify that charter of helicopter will continue to attract 18% GST.

##### 9. Supply of research and development services:

The GST Council recommended to exempt supply of research and development services by a Government Entity; or a research association, university, college or other institution, notified under clauses (ii) or (iii) of sub-section (1) of section 35 of the Income Tax Act, 1961 using Government or private grants.

##### 10. Preferential Location Charges (PLC):

Location charges or Preferential Location Charges (PLC) paid along with the consideration for the construction services of residential /commercial/ industrial complex before issuance of completion certificate forms part of composite supply where supply of construction services is the main service and PLC is naturally bundled with it and are eligible for same tax treatment as the main supply that is, construction service.

##### 11. Import of service by branch Office

To exempt import of services by an establishment of a foreign airlines company from a related person or any of its establishment outside India, when made without

consideration.

#### 12. Renting of commercial property:

Renting of commercial property by unregistered person to a registered person under Reverse Charge Mechanism (RCM) to prevent revenue leakage.

#### Other Changes

- 1) Supply of services such as application fees for providing electricity connection, rental charges against electricity meter, testing fees for meters/transformers/capacitors, labour charges from customers for shifting of meters/service lines, charges for duplicate bills etc. which are incidental, ancillary or integral to the supply of transmission and distribution of electricity by transmission and distribution utilities to their consumers, when provided as a composite supply.
- 2) The GST Council recommended insertion of rule 164 in CGST Rules, 2017, along with certain Forms, providing for the procedure and conditions for availment of benefit of waiver of interest or penalty or both, relating to tax demands under section 73 of CGST Act, pertaining to FYs 2017-18, 2018-19 and 2019-20, as per section 128A of CGST Act. The Council also recommended to notify under sub-section (1) of section 128A of CGST Act, 31.03.2025 as the date on or before which the payment of tax may be made by the registered persons, to avail the said benefit as per section 128A of the CGST Act.
- 3) B2C E-invoicing: The GST Council recommended roll out of a pilot for B2C e-Invoicing, following the successful implementation of e-invoicing in the B2B sector. The Council recognized potential benefits of e-invoicing in retail, such as improved business efficiency, environmentally friendly, cost efficiency to the business, etc.
- 4) Invoice Management System and new ledgers:
  - The Council also took note of the agenda on the enhancements being made to the existing GST return architecture. These enhancements include the introduction of a Reverse Charge Mechanism (RCM) ledger, an Input Tax Credit Reclaim ledger and an Invoice Management System (IMS).
  - Taxpayers would be given the opportunity to declare their opening balance for these ledgers by 31st October 2024.

- IMS will allow the taxpayers to accept, reject, or to keep the invoices pending for the purpose of availment of Input Tax Credit. This will be an optional facility for taxpayers to reduce errors in claiming input tax credit and improve reconciliation. This is expected to reduce notices issued on account of ITC mismatch in the returns.

#### Issuance of clarifications through the circulars to remove ambiguity and legal disputes in certain issues:

The GST Council recommended issuance of circulars to provide clarity and to remove doubts and ambiguities arising in the following issues due to varied interpretations by the field formations:

- I. Clarification on the Place of Supply of advertising services provided by Indian advertising companies to foreign entities.
- II. Clarification regarding availability of Input Tax Credit on demo vehicles by the dealers of the vehicle manufacturers.
- III. Clarification on Place of Supply of data hosting services provided by service providers located in India to cloud computing service providers located outside India.

*Read next: Wall of Wisdom*

## WALL OF WISDOM (WOW):

- "Limitations live only in our minds. But if we use our imaginations, our possibilities become limitless."
- "Educating yourself does not mean that you were stupid in the first place it means you are intelligent enough to know that there plenty left to learn."

Read next: Do you know?

## DO YOU KNOW?

1. The circulatory system is more than 60,000 miles long.
2. Japan has one vending machine for every 40 people.

## What else do You Know?

Let us know.

Read next: Motivational Quote

## MOTIVATIONAL QUOTE:

**"Failure comes only when we forget our ideals and objectives and principles."**

**— Pandit Jawaharlal Nehru**

### Sources-

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

### 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](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 required to submit his/its return of income on	FY 2023-24	30/09/2024

October 31, 2024)

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

Q1 FY 2024-25

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
October-2024	1	GSTR 1 (Regular Taxpayers)	September 2024	11/10/2024
	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
November-2024	1	GSTR 1 (Regular Taxpayers)	October 2024	11/11/2024
	2	GSTR 3B (Monthly Return)	October 2024	20/11/2024
	3	Monthly Tax Payment under ORMP Scheme(PMT 06)	October 2024	25/11/2024
December-2024	1	GSTR 1 (Regular Taxpayers)	November 2024	11/12/2024
	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
January-2025	1	GSTR 1 (Regular Taxpayers)	December 2024	11/01/2025
	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	11/02/2025
	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 <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).

### **Copyright Disclaimer:**

Every effort has been made to avoid errors or omissions in this Newsletter. In spite of this, errors may creep in. Any mistake, error or discrepancy noted may be brought to our notice, which shall be taken care of in the next Newsletter. It is notified that neither the author nor Knowledge & Development Committee nor Varun A. Dahotre and Associates nor other network firms will be responsible for any damage or loss of action to anyone, of any kind, in any manner therefrom. It is suggested that to avoid any doubt, the reader should cross check all the facts, law and contents of the Newsletter with original Government publication or notifications and if required contact the Office of Dahotre and Dahotre Chartered Accountants at +91 20-67426111 by dialling the specific extension number.

No part of this Newsletter may be reproduced or copied in any form or by any means or reproduced on any disc, tape, perforated media or other information storage device, etc. without the written permission of the Knowledge and Development Committee and Varun A. Dahotre and Associates. Breach of this condition is liable for legal action.

### **Contact us [Here](#)**