

**DAHOTRE & DAHOTRE**  
Chartered Accountants



Knowledge and Development Committee

# Newsletter

Period of Update: 2nd December 2024 to 8th December 2024  
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## Editor-in-Chief's Message

Hello readers!

Welcome to the **46**<sup>th</sup> Newsletter Edition of 2024.

In this issue, we will discuss Peer Review And Quality Review and Indian accounting standard (Ind as) 116: leases. Also, we will know about taxation of digital transactions.

**Vinod Jangid**  
Editor-in-chief

## Team's Message

"The best leaders are those which are interested in surrounding themselves with assistants and associates smarter than they are. They are frank in admitting this and are willing to pay for such talents."

**Tejashree Darawade**  
Senior Associates

## Short Updates:

### Indirect Tax

- No late fees for filing GSTR-7 after deadline; Here's why these taxpayers still need to file it to avoid serious consequences.
- Sometimes you need to show a good faith and file your monthly GST returns on time despite no risk of attracting a late filing penalty. GSTR-7 is one such monthly return.
- The Goods and Services Tax Network (GSTN) has informed that no late filing fees are required to be paid if a taxpayer is filing 'nil' GSTR-7 return late i.e. after the deadline. However, since October 2024, GSTR-7 filing has been made sequential, so you really can't skip filing any month's GSTR-7 as doing so would prevent you from filing it for subsequent months.
- "Attention Taxpayers! Issues related to the late fees on 'Nil' GSTR-7 filings for Oct 2024 return will be resolved tonight. In line with Notification No. 23/2024-Central Tax, dated 8th Oct 2024, no late fee payment is needed to file 'Nil' GSTR-7 return

starting from October 2024 return period, on GST portal," said GST Tech (Infosys\_GSTN) on X (formerly Twitter) on December 7, 2024

### Indirect Tax

- The Central Board of Indirect Taxes & Customs (CBIC) has said that media reports regarding the Group of Ministers (GoM) recommendations on GST rate changes regarding various goods and services are premature and speculative. In a social media post, the CBIC said a Group of Ministers was constituted to look into the GST rate rationalisation apart from certain other issues referred by the GST Council. The GoM comprises of ministers from the States of Bihar, Uttar Pradesh, Rajasthan, West Bengal, Karnataka and Kerala with the Deputy Chief Minister of Bihar as the Convenor.
- The GST Council is chaired by Finance Minister Nirmala Sitharaman and ministers of all the states and Union Territories. This council is empowered to recommend GST rates including changes to them.
- The GoM is only a recommendatory body.

## 01 Audit Peer Review And Quality Review



Vedika Pawale

### Introduction

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)

1. 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)

2. 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 [email protected]. 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:

- 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.

- 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.
- 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.

## Q & A

- 1) What are the key differences between peer review and quality review in the context of auditing and assurance services?
- 2) How does the peer review process contribute to maintaining and enhancing the quality of audit practices within a CA firm?
- 3) What are the common challenges faced by CA firms during the quality review process, and how can these challenges be effectively addressed?

*Read next: Indian Digital Currency: Types, Benefits, Present and Future Prospects*

## 02 Audit

### Indian Accounting Standard (Ind AS) 116: Leases(Part I)



DIPALI KALYANKAR

**T**his Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions.

#### EXEMPTIONS:

A lessee may elect not to apply the requirements in paragraphs 22-49 to:

- (a) Short-term leases; and
- (b) Leases for which the underlying asset is of low value (as described in paragraphs B3–B8).

#### WHAT IS LEASE??

-At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### LEASE TERM

- a) In determining the lease term and assessing the length of the non-cancellable period of a lease, an entity shall apply the definition of a contract and determine the period for which the contract is enforceable.
- b) Periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and

- c) Periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

## LEASE PAYMENT

- a) Fixed payments (including in-substance fixed payments as described in paragraph B42), less any lease incentives receivable;
- b) Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date (as described in paragraph 28);
- c) Amounts expected to be payable by the lessee under residual value guarantees;
- d) The exercise price of a purchase option if the lessee is reasonably certain to exercise that option (assessed considering the factors described in paragraphs B37–B40); and
- e) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

## LESSEE ACCOUNTING

### RECOGNITION –

At the commencement date, a lessee shall recognise a right-of use asset and a lease liability.

-Initial measurement of the right-of-use asset the cost of the right-of-use asset shall comprise:

- a) the amount of the initial measurement of the lease liability, as described in paragraph 26;
- b) any lease payments made at or before the commencement date, less any lease incentives received;
- c) any initial direct costs incurred by the lessee; and
- d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

### Initial measurement of the lease liability

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

### SUBSEQUENT MEASUREMENT

#### RIGHT OF-USE ASSET

After the commencement date, a lessee shall measure the right-of-use asset applying a cost model. To apply a cost model, a lessee shall measure the right-of-use asset at cost:

- a) less any accumulated depreciation and any accumulated impairment losses;
- b) And adjusted for any remeasurement of the lease liability specified in paragraph 36(c).

Other measurement models

- a) If right-of-use assets relate to a class of property, plant and equipment to which the lessee applies the revaluation model in Ind AS 16, a lessee may elect to apply that revaluation model to all of the right-of use assets that relate to that class of property, plant and equipment.

#### LEASE LIABILITY

After the commencement date, a lessee shall measure the lease liability by:

- a. Increasing the carrying amount to reflect interest on the lease liability;
- b. Reducing the carrying amount to reflect the lease payments made; and
- c. Remeasuring the carrying amount to reflect any reassessment or lease modifications specified in paragraphs 39–46, or to reflect revised in-substance fixed lease payments.

## REASSESSMENT OF THE LEASE LIABILITY

- i. lessee shall remeasure the lease liability by discounting the revised lease payments, if either:
  - a. There is a change in the amounts expected to be payable under a residual value guarantee. A lessee shall determine the revised lease payments to reflect the change in amounts expected to be payable under the residual value guarantee.
  - b. There is a change in future lease payments resulting from a change in an index or a rate used to determine those payments, including for example a change to reflect changes in market
- ii. a lessee shall determine the revised discount rate as the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined, or the lessee's incremental borrowing rate at the date of reassessment, if the interest rate implicit in the lease cannot be readily determined.

## LEASE MODIFICATIONS

- A. A lessee shall account for a lease modification as a separate lease if both:
  - a. The modification increases the scope of the lease by adding the right to use one or more underlying assets; and
  - b. The consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.
- B. For a lease modification that is not accounted for as a separate lease, at the effective date of the lease modification a lessee shall:
  - a. Allocate the consideration in the modified contract applying paragraphs 13–16
  - b. Determine the lease term of the modified lease applying paragraphs 18–19; and
  - c. Remeasure the lease liability by discounting the revised lease payments using a revised discount rate. The revised discount rate is determined as

the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined, or the lessee's incremental borrowing rate at the effective date of the modification, if the interest rate implicit in the lease cannot be readily determined.

For a lease modification that is not accounted for as a separate lease, the lessee shall account for the remeasurement of the lease liability by:

- a. Decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease. The lessee shall recognise in profit or loss any gain or loss relating to the partial or full termination of the lease.
- b. Making a corresponding adjustment to the right-of-use asset for all other lease modifications.

## Q & A

1. What you think what is included in lease payment?
2. What's the basic difference in finance lease and operating lease?
3. If a ground is being taken on rent for playing cricket matches for 3 months in a year for further 5 years then what will be the lease term?

*Read next: Taxation Of Digital Transactions*

## 03 Direct Tax

### TAXATION OF DIGITAL TRANSACTIONS



Abhishek Maske

#### INCOME TAX ON UPI TRANSACTIONS AND HOW DOES IT WORK?

Digital payments through UPI apps and e-wallets are rapidly replacing physical cash as a payment method. According to the National Payments Corporation of India (NPCI), UPI transactions marked a record of 13.89 billion transactions, i.e. 49% per year growth in June 2024. UPI payment platforms or e-wallets come with a user-friendly interface; anyone can use it with just a few clicks. However, did you know that you might need to pay tax on UPI transactions? Read on to know more.

#### What does a UPI transaction mean?

The Unified Payments Interface (UPI) is a user-friendly, and real-time payment solution, which adopts substantial growth in digital payments. It facilitates the inter-bank transactions by just few clicks.

UPI transactions usually provide seamless transfer of payments between 'peer to peer' and 'peer to business'. UPI transactions can be made whenever requested by the receiver of payment. You can link multiple bank accounts in one mobile app and make the payments. Use your bank account number and Indian Financial Security Code (IFSC) to register on the UPI app, use your UPI ID or UPI Number to make the transactions. It is as easy as that.

#### Intervention of Income Tax Rules in UPI Transactions

UPI transactions are subject to income tax in a similar way to income from mutual funds or fixed deposits.

Section 56(2) of the Income Tax Act applies to all e-wallet transactions, as they are classified as 'income from other sources'.

When submitting an ITR, you must provide detailed information about your salary and other sources of income, such as funds received from an e-wallet or UPI app. If you believe that transactions or money received through UPI are not tracked, you are mistaken. It is because the Income Tax Department tracks you're every transaction.

#### Taxability of UPI and E-Wallet Transactions

The UPI and or e-wallet transactions are subject to taxes in the following situations:

- With UPI transactions, people can send or receive cash whenever needed. A receipt for a sum up to INR 50,000 is exempt from tax. Anything over that is treated as a gift and is taxable. However, if you have just received money your friend owed you, it won't be taxable.
- According to Income Tax rule 3(7) (iv), when employers offer a gift voucher for more than INR 5,000 via UPI, UPI tax is applicable. However, if such amounts transferred through e-wallets are not reported, it might result in reassessment under Section 147 of the Income Tax Act.
- Users of e-wallets earn cashback rewards if they use their e-wallets to make online payments, which is why the use of e-wallets is rising. The term 'gift' under this Act is any sum you have received, and hence cashback from these e-wallets is termed as a 'gift' and is governed under the Act.
- According to Section 56(2) of the Income Tax Act, cashback is taxable if it exceeds INR 50,000 in a single fiscal year. Similarly, gift vouchers from friends and family valued more than INR 50,000 in a single fiscal year are taxable.
- If you are wondering whether there is a limit on UPI transactions for UPI taxation, the answer is INR 1 lakh. The limit is Rs.2 lakh for transactions related to capital markets, insurance, collections and foreign inward remittances. The limit is INR 5 lakh for tax payments and payments to educational institutions, hospitals, IPO, and RBI retail direct schemes. This is the maximum amount that you can transfer using UPI. However, if the transfer exceeds the stated

threshold, it is subject to tax. The NPCI has set this.

### **UPI and E-Wallet Transactions in India**

Prime Minister Narendra Modi recently expressed that digital transactions will soon surpass the usage of cash as merchants and consumers in India are voluntarily adopting UPI. As per data, in January 2023, UPI recorded 803 crore transactions worth INR 12.98 lakh crore. As per NPCI, apps like Google Pay, Phone Pay, Paytm and CRED are some of the prominent fintech players in the Indian digital payment space.

In India, users seem to use the service a lot to pay merchants, but user-to-user transfer also seems to be popular. As per the same report, P2P transactions comprised 45.12% of the total volume, while peer-to-merchant transactions comprised 54.88% of the total number of transactions.

### **Q & A**

1. What is the tax rate for digital currency?
2. Is there 18% GST on UPI?
3. Is there any tax for an UPI transaction?

*Read next: Wall of Wisdom*

## WALL OF WISDOM (WOW):

- "The best view comes after the Hardest Climb".
- "Not every day is good, but there is something good in every day."

Read next: Do you know?

## DO YOU KNOW?

1. Octopuses have three hearts.
2. The Sun makes a sound but we can't hear it.

## What else do You Know?

Let us know.

Read next: Motivational Quote

## MOTIVATIONAL QUOTE:

**"One individual may die for an idea,  
but that idea will, after his death,  
incarnate itself in a thousand lives."**

**— Netaji Subhas Chandra Bose**

### 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: Best Newsletters of 2024

## Best Newsletter Presenters of 2024

| Month's   | Best Presenters |
|-----------|-----------------|
| July      | Arpit Kale      |
| August    | Srushti Zodage  |
| September | Sakshi Pawar    |
| October   | Akash Patel     |

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<br>(a) Assessee whose accounts are required to be audited<br>(b) Partner of a firm whose accounts are required to be audited<br>(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<br><br>(a) Corporate-assessee<br>(b) Non-corporate assessee (whose books of account are required to be audited)<br>(c) Partner of a firm whose accounts are required to be audited<br>(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)                                 |                      |            |
|------------|---|--|----------------------|------------|
| 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).

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