

**DAHOTRE & DAHOTRE**  
Chartered Accountants



Knowledge and Development Committee

# Newsletter

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## Editor-in-Chief's Message

Hello readers!

Welcome to the **01**<sup>st</sup> Newsletter Edition of 2025.

In this issue, we will discuss Form 12BB and understanding the Impact of rising interest rates on Global Financial Markets. Also, we will know about GST Implications – Time Expired Goods.

**Vinod Jangid**  
Editor-in-chief

## Team's Message

“A group becomes teammates when each member is sure enough of himself and his contribution to praise the skills of the others.”

**Neha Deshmane**  
Senior Associates

## Short Updates:

### Company law

- The Institute of Chartered Accountants of India (ICAI) and its Accounting Research Foundation (ICAI ARF) have been pivotal in Indian Railways' transition to accrual-based accounting since 2014. This initiative aims to enhance financial transparency, accountability, and alignment with Generally Accepted Accounting Principles. On December 19, 2024, ICAI ARF submitted the 2022-23 accrual-based financial statements for all zonal railways and production units, reflecting efforts towards environmental, social, and governance (ESG) goals.
- Indian Railways, the first Indian ministry to adopt such reforms across its entirety, collaborates with ICAI ARF to develop a transaction-based accrual accounting system for the 2023-24 financial year. Officials from Indian Railways and ICAI highlighted the importance of sustainability and asset verification in future financial practices. ICAI

ARF's role underscores its commitment to research-driven advancements in accounting and governance.

### Indirect Tax

- CBDT issues Circular No. 20/2024 dated December 30, 2024 extending due date for determining amount payable as per column (3) of Table specified in section 90 of Direct Tax Vivad Se Vishwas Scheme, 2024 from 31st December, 2024 to 31st January, 2025.
- Accordingly, notwithstanding anything contained in the Direct Tax Vivad Se Vishwas Scheme, Rules or Guidance Note of 2024, in such cases where declaration is filed on or before 31st January, 2025, amount payable shall be determined as per column (3) of the Table specified in section 90 of the Scheme, and where declaration is filed on or after 01<sup>st</sup> February, 2025, amount payable shall be determined as per column (4) of the said Table.

## 01 DIRECT TAX FORM 12BB



Vedant Potdar

When employees declare their investments and expenses to employers for tax benefits each financial year, a document called Form 12BB is at the core of the process.

Employees in the taxable income bracket submit Form 12BB to employers for the purpose of deductions under Section 192 of the Income Tax Act of 1961. In the past, there was no prescribed format for investment declarations. Starting June 2016, Form 12BB became mandatory for salaried individuals to submit Form 12BB to their employer for claiming tax deductions and exemptions

### WHAT IS FORM 12BB?

Form 12BB is a statement of claims by an employee for deduction of tax. With effect from 1st June 2016, a salaried employee is required to submit Form 12BB to his or her employer to claim tax benefits or rebates on investments and expenses. Form 12BB has to be submitted at the end of the financial year. Form 12BB applies to all salaried taxpayers.

Using Form 12BB, an employee has to declare the investments that they have made during the year. Documentary evidence of these investments and expenses has to be provided at the end of the financial year as well.

### STRUCTURE OF FORM 12BB

Form 12BB is structured into four main sections covering house rent allowance, leave travel

concessions or assistance, deduction of interest on borrowing, and other deductions under Sections 80C, 80CCC, and 80CCD of the Income Tax Act.

#### A. House Rent Allowance

If you are paying rent to your landlord, then you can use this section to claim HRA deduction. You need to provide the below details under HRA in Form 12BB:

1. Rent amount you paid to the homeowner
2. Name and address of the landowner
3. PAN of the landowner – Required only if the rent paid by you exceeds INR 1,00,000 during the financial year.
4. Rent receipts/rent agreement - You will have to attach one of these as proof of evidence. If the rent was paid in cash, you will have to affix a revenue stamp on the receipt.

#### B. Leave Travel Allowance

Leave Travel Allowance, also known as Leave Travel Concession (LTC), is given to you by your employer which you can utilize for travel expenses. It is a kind of assistance received by you from your employer for travelling on leave.

This applies to every salaried person and if you want to claim deduction under LTA then you will have to submit travel expenses proofs to your employer. This section just requires the amount you want to claim and proof against it.

#### C. Deduction of Interest on Borrowing

Under this section, you can claim a tax deduction on interest paid for a home loan. To do that, you need to provide details like interest paid, lender's name and PAN. Registration fees stamp duty and brokerage charges, if any, can also be claimed as deductions.

#### D. Deduction under Chapter VI-A

This is the last section of the form where you include your investment made under chapter VI A of the IT Act. Below is the list of a few deductions available under Section 80.

## IS IT COMPULSARY TO SUBMIT FORM 12BB?

While Form 12BB is not compulsory, however if you are a salaried citizen then you are instructed to file Form 12BB to your employer to benefit from tax reductions on explicit investments and expenses. If not filed, then the employer has the right to calculate TDS and deduct it from your monthly salary.

## WHEN TO SUBMIT FORM 12BB?

Usually, employers ask for a declaration at the start of the financial year to estimate TDS calculations for the whole year. Form 12BB has to be later submitted towards the end of the financial year.

## Learnings

- An employee has to submit Form 12BB to his/her employer on the basis of which the employer will detect the TDS on salary.
- An employee cannot take deductions in case Form 12BB is not submitted and will liable to pay higher amount of taxes.
- In case higher taxes paid even though deductions are applicable, an employee can submit Form 12BB to employer and can claim refund while filling ITR.

## Questions

1. Do I need to submit form 12BB to Income Tax Department?
2. In how many sections is Form 12BB covered?
3. Is it allowed to submit Form 12BB without attaching the relevant supporting documents?

*Read next: The Impact of Rising Interest Rates on Global Financial Markets*

## 02 General

# THE IMPACT OF RISING INTEREST RATES ON GLOBAL FINANCIAL MARKETS



Suyam Jain

**R**ising interest rates in 2024

## OBJECTIVES, HIGHLIGHTS & IMPACT

Examine the relationship between rising interest rates and financial markets. Understand the effects of higher interest rates on investor behaviour and market trends. Explore the consequences of rising interest rates on emerging and developed economies. Assess the implications of rising interest rates on economic growth and inflation.

## What is the impact of rising interest rates on Global Market?

Rising interest rates generally have a negative impact on global financial markets causing stock prices to decline as investors shift towards safer assets like bond due to higher yields, potentially leading to reduced borrowings and economic slowdown while benefiting sectors like banking that earn more from higher interest income on loans.

## OBJECTIVES OF RISING INTEREST RATES

Here are the main objectives of Rising interest rates that can effects global financial market:-

1. Impact on borrowings.

Higher interest rates make it more costly for individuals and businesses to borrow money, which can lead to reduced spending and investments.

## 2. Effect on currency.

When a country raises interest rates, its currency often becomes more attractive to investors, potentially strengthening its value against other currencies.

## 3. Market volatility.

Rising interest rates can lead to increased volatility in stock markets, as investors may shift their investments towards safer assets like bond.

## 4. Financial stability.

By making borrowings more expensive, central banks can also reduce excessive risk-taking by financial institutions and individuals, promoting long-term financial stability.

## 5. Control inflation.

Higher interest rates make borrowings more expensive. This tends to reduce consumer spending & business investment, which can slow down demand and ease inflationary pressure.

## OVERVIEW

In 2024, many central banks, including the U.S. Federal Reserve, the European Central Bank, and others, have continued to raise interest rates to combat persistent inflation. Rising interest rates have a far-reaching effect on global financial markets, influencing everything from stock prices to bond yields, foreign exchange rates, and the overall economic growth trajectory. Understanding these impacts is crucial for investors, policymakers, and businesses alike.

## IMPACTS ON GLOBAL MARKET

### STOCK MARKETS:

**Effect on Equity Valuations:** Rising interest rates make borrowing more expensive for businesses, which can lead to reduced corporate earnings due to higher costs. In turn, investors might re-evaluate stock valuations, especially in growth sectors that rely heavily on debt financing. Like technology stocks, which have been particularly sensitive to interest rate hikes, have faced declines as the cost of capital rises.

**Example:** In 2024, U.S. tech giants like Apple and Microsoft have seen their stock prices face downward pressure as higher rates reduce their profit margins. Investors, traditionally attracted to growth stocks, are now turning toward value stocks, which are seen as less vulnerable to interest rate fluctuations.

### BOND MARKETS:

**Rising Yields and Falling Prices:** As interest rates increase, the yield on newly issued bonds rises, which in turn lowers the market prices of existing bonds. Investors may sell off older bonds with lower yields in favour of newly issued bonds that offer better returns. This causes a general decrease in bond prices, especially in long-duration bonds, which are more sensitive to interest rate changes.

**Example:** The U.S. Treasury market has seen a rise in bond yields as interest rates have climbed. For instance, 10-year Treasury bond yields in 2024 reached their highest levels in over a decade. This means investors who hold older bonds have experienced losses, while new bondholders can enjoy higher yields.

### FOREIGN EXCHANGE (FOREX) MARKETS:

**Currency Appreciation:** Higher interest rates in a particular country typically attract foreign capital looking for higher returns, which can lead to an appreciation of that country's currency.

**Example:** The U.S. dollar has appreciated against the euro and the yen due to higher interest rates in the U.S. In 2024, the euro has weakened against the dollar, as the European Central Bank has been more cautious in raising rates compared to the Federal Reserve.

### EMERGING MARKETS:

**Capital Outflows and Currency Depreciation:** Emerging markets, which often have higher borrowing costs and rely heavily on external financing, are particularly vulnerable to rising interest rates in developed countries. Higher U.S. interest rates.

**Example:** Countries like Brazil, Turkey, and South Africa have faced significant currency depreciation in

2024 as the U.S. dollar strengthens. This has worsened inflation in these regions, making imports more expensive and exacerbating economic instability.

While rising interest rates are often viewed as a challenge due to their impact on borrowing costs and financial market volatility. They can also provide several benefits to the global financial markets. Here are the key benefits of rising interest rates:

### **Attractive Returns on Fixed-Income Investments (Bonds):**

**Higher Yields for Bond Investors:** As interest rates rise, newly issued bonds offer higher yields, making them more attractive to investors seeking steady returns.

**Increased Demand for Short-Term Bonds:** Rising interest rates make short-duration bonds more appealing because they are less sensitive to rate hikes compared to long-duration bonds.

### **Strengthened Currency:**

**Currency Appreciation:** Higher interest rates often attract foreign capital, driving up the value of the country's currency.

**Benefit to Importers:** A stronger currency due to higher interest rates can benefit businesses that rely on imports.

### **Control over Inflation:**

**Curbing Inflationary Pressures:** Central banks raise interest rates to control rising inflation. By making borrowing more expensive, demand for goods and services decreases, which can help to moderate price increases.

### **Improved Bank Profitability:**

**Wider Net Interest Margins for Banks:** Banks typically benefit from higher interest rates because they can charge higher rates on loans (e.g., mortgages, business loans) while still paying relatively low rates on deposits.

### **Better Opportunities for Savers and Pension Funds:**

**Enhanced Returns for Pension Funds and Savers:** Higher interest rates allow pension funds, insurance companies, and other institutional investors to generate better returns from fixed-income investments.

Rising interest rates can have a wide range of effects on global markets, depending on the context and the economic environment. Below are some of the advantages and disadvantages:

### **Advantages of Rising Interest Rates on Global Financial Markets.**

- 1) Attractive Returns on Fixed-Income Investments
- 2) Strengthening of the National Currency
- 3) Reduced Inflationary Pressures
- 4) Improved Bank Profitability
- 5) Encourages Savings and Investment in Safe Assets
- 6) Promotes More Responsible Borrowing.

Rising interest rates can help control inflation, attract foreign investment, benefit financial institutions and encourage savings. They also improve returns for fixed income investors.

### **Disadvantages of Rising Interest Rates on Global Financial Markets.**

- 1) Higher Borrowing Costs.
- 2) Stock Market Volatility and Lower Valuations.
- 3) Pressure on Emerging Markets.
- 4) Slowdown in Economic Growth.
- 5) Potential for Recession.
- 6) Adverse impact on Real estate Markets.

However, higher rates can slow down economic growth, hurt stock market performance, increase debt servicing costs, and slow housing markets. They also have negative spill over effects on emerging markets.

### **CONCLUSION:**

In 2023, rising interest rates were the dominant theme in global financial markets, driven by central banks' efforts to combat high inflation. The U.S. Federal Reserve, European Central Bank, and Bank of

England all raised rates to cool down inflation, while emerging market economies faced varying challenges. These rate hikes had significant effects on bond markets, equity markets, and currencies, with investors shifting their focus to fixed-income investments and adjusting their portfolios to navigate the higher borrowing costs.

The year 2023 reflected a balancing act between controlling inflation and managing the risks to economic growth in both developed and emerging economies.

### Learnings

- The Role of Central Banks in Controlling Inflation.
- Interest Rates Influence on Consumer Behaviour.
- Investment Strategies Must Adjust to Changing Interest Rates.
- Rising Interest Rates Can Lead to Currency Fluctuations.
- Emerging Markets Are More Vulnerable to Rising Rates.
- Long-Term Impacts on Business Investment

### QUESTIONS:

1. Why do central banks raise interest rates?
2. How do rising interest rates influence the value of a currency?
3. What are the risks associated with higher debt servicing costs when interest rates rise?

*Read next: GST Implications –*

*Time Expired Goods*

## 03 Indirect Tax

### GST Implications – Time Expired Goods



Trupti Narawade

The common trade practice for sale is that goods are sold by the manufacturer to the wholesaler and by the wholesaler to the retailer based on an invoice/bill of supply as case may be.

It is significant to mention here that such goods have a defined life term which is normally referred to as the date of expiry. Such goods which have crossed their date of expiry are colloquially referred to as time expired goods and are returned back to the manufacturer, on account of expiry, through the supply chain.

The retailers/ wholesalers can follow either of the below mentioned procedures for the return of the time expired goods.

#### **Circular No. 72/46/2018-GST:**

##### **A. To be treated as Fresh Supply:**

- 1. In case the person returning the time expired goods is a registered person (other than a composition taxpayer):**

He may at his option, return the said goods by treating it as a fresh supply and thereby issuing an invoice for the same (hereinafter referred to as the, “return supply”).

The value of the said goods as shown in the invoice on the basis of which the goods were supplied earlier may be taken as the value of such return supply.

The wholesaler or manufacturer, as the case may be, who the recipient of such return supply is, shall be eligible to avail Input Tax Credit (subject to the fulfilment of the conditions specified in Section 16 of the CGST Act.

## **2. In case the person returning the time expired goods is a composition taxpayer:**

He may return the said goods by issuing a bill of supply and pay tax at the rate applicable to a composition taxpayer. In this scenario there will not be any availability of ITC to the recipient of return supply.

## **3. In case the person returning the time expired goods is an unregistered person:**

He may return the said goods by issuing any commercial document without charging any tax on the same.

## **4. Where the time expired goods which have been returned by the retailer/wholesaler are destroyed by the manufacturer:**

Manufacturer is required to reverse the ITC availed on the return supply in terms of the provisions of clause (h) of sub-section (5) of section 17 of the CGST Act.

It is pertinent to mention here that the ITC which is required to be reversed in such scenario is the ITC availed on the return supply and not the ITC that is attributable to the manufacture of such time expired goods.

**Illustration:** *Supposedly, manufacturer has availed ITC of INR 10/- at the time of manufacture of medicines valued at INR 100/-. At the time of return of such medicine on the account of expiry, the ITC available to the manufacturer on the basis of fresh invoice issued by wholesaler is INR 15/-. So, when the time expired goods are destroyed by the manufacturer he would be required to reverse ITC of INR 15/- and not of INR 10/-.*

### **B. Return by Issuing Credit Note:**

As per sub-section (1) of Section 34 of the CGST Act the supplier can issue a credit note where the goods are returned back by the recipient.

Manufacturer or the wholesaler who has supplied the goods to the wholesaler or retailer, as the case may be, has the option to issue a credit note. In such a scenario, the retailer or wholesaler may return the time expired goods by issuing a delivery challan.

It may be noted that time limit specified in sub-section (2) of section 34 of the CGST Act, for the issuance of a credit note with adjustment of Tax liability is prior to the month of September following the end of the financial year.

Tax liability may be adjusted by the supplier, subject to the condition that the person returning the time expired goods has either not availed the ITC or if availed has reversed the ITC so availed against the goods being returned. There is no time limit for the issuance of a credit note without adjustment of Tax liability.

In case time expired goods are returned beyond month of September following the end of the financial year in which such goods are supplied, and a credit note is issued consequently, there is no requirement to declare such credit note on the common portal by the supplier (i.e. by the person who has issued the credit note) as tax liability cannot be adjusted in this case.

Further, where the time expired goods, which have been returned by the retailer/wholesaler, are destroyed by the manufacturer, he/she is required to reverse the ITC attributable to the manufacture of such goods, in terms of the provisions of clause (h) of subsection (5) of section 17 of the CGST Act.

### **Learnings-**

#### **Return of the time expired goods:**

##### **A. To be treated as fresh supply:**

##### **If Person returning goods is:**

##### **i. Registered (Other than Composition):**

1. Issue invoice with GST.
2. Value of goods returned will be taken as value on the earlier supply invoice.

3. Wholesaler or manufacturer, as the case may be, who the recipient of such return supply is, shall be eligible to avail ITC.

**ii. Composition:**

1. Issue Bill of Supply pay tax at the rate applicable to a composition taxpayer.
2. Value of goods returned will be taken as value on the earlier supply invoice.
3. No ITC available to wholesaler or manufacturer, as the case may be, who is the recipient of such return supply

**iii. Unregistered**

1. Issue Commercial Document without GST.
2. Value of goods returned will be taken as value on the earlier supply invoice.
3. No ITC available to wholesaler or manufacturer, as the case may be, who is the recipient of such return supply

**B. Return by issuing Credit Note:**

**Questions**

1. A wholesaler of packaged food items has goods in stock that are nearing expiry. The wholesaler decides to sell the expired goods at a significant discount.
  - How should GST be applied on the sale of these expired goods?
  - How does the GST treatment differ if the goods were destroyed rather than sold?
2. A company in the retail sector has goods that expired after being in inventory for six months. They now plan to dispose of these goods by donating them to a charity.
  - Is there any need for Input Tax Credit reversal in this scenario?

*Read next: Wall of Wisdom*

## WALL OF WISDOM (WOW):

- “The best way to escape from your problem is to solve it”.
- “Just one small positive thought in the morning can change your whole day.”

*Read next: Do you know?*

## DO YOU KNOW?

1. Sloths can hold their breath for up to 40 minutes by slowing their heart rates, while dolphins need to come up for air after about 10 minutes.
2. The most common name in the world is Mohammad.

## What else do You Know?

Let us know.

*Read next: Motivational Quote*

## MOTIVATIONAL QUOTE:

**“Look at the sky .We are not alone, the whole universe is friendly to us and conspires only to give the best to those who dream and work.”**

**— A.P.J KALAM**

### 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*

## Best Newsletter Presenters of 2024

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

## 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<br>(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<br>(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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