

DAHOTRE & DAHOTRE
Chartered Accountants



Knowledge and Development Committee

Newsletter

Period of Update: 30th December 2024 to 05th January 2025
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Editor-in-Chief's Message

Hello readers!

Welcome to the **02**nd Newsletter Edition of 2025.

In this issue, we will discuss Audit under fiscal Law and what is IFRS and What is difference between IFRS and IND AS. Also, we will know about Reverse Charge Mechanism.

Vinod Jangid
Editor-in-chief

Team's Message

"Trust is an important factor which a team needs. Having good faith and trust in your team will result in achievement of your desired goals."

Tejashree Darawade
Senior Associates

Short Updates:

RERA

- Maharashtra RERA revises criteria to form self-regulatory organisation- The Maharashtra Real Estate Regulatory Authority (MahaRERA) has revised the minimum eligibility criteria for forming a Self-Regulatory Organisation (SRO), in an effort to ensure regulatory compliance among property developers for registration of Project. Now, the minimum threshold to form an SRO has been reduced from 500 to 200 projects (in total of all developer members) for areas outside Mumbai Metropolitan Region (MMR), according to a directive issued on Thursday.

Direct Tax

- The Income Tax Department has now updated the excel utilities for ITR Forms 2 and 3 to exercise the option to update tax rebate under section 87A for FY 2023-24 (AY 2024-25). Section 87A tax rebate mess started when the tax department changed the ITR software on July 5, 2024.

- As a result of this many eligible taxpayers were either prevented from claiming section 87A tax rebate or were sent a tax demand notice for claiming it. In this regard the Honourable Bombay High Court gave an interim relief by ordering the tax department to extend the revised and belated ITR filing deadline to January 15, 2025 to enable taxpayers to claim 87A tax rebate.

Indirect Tax

- The Central Government, on the recommendations of the 54th GST Council, had issued Notification No. 22/2024 – CT dated 08.10.2024 and notified that any registered person against whom any order confirming demand for wrong availment of ITC, on account of contravention of provisions of sub-section (4) of section 16 of the said Act had been issued, but where such ITC is now available as per the recently inserted subsections (5) and/or (6) of section 16 of the Act, would now be able to file an application for rectification of such demand orders.

01 General Audit under fiscal Law



Sakshi Jadhav

Section 44AB gives the provisions relating to the class of taxpayers who are required to get their accounts audited from a chartered accountant.

The audit under section 44AB aims to ascertain the compliance of various provisions of the Income-tax Law and the fulfilment of other requirements of the Income-tax Law. The audit conducted by the chartered accountant of the accounts of the taxpayer in pursuance of the requirement of section 44AB is called tax audit. The chartered accountant conducting the tax audit is required to give his findings, observation, etc., in the form of audit report. The report of tax audit is to be given by the chartered accountant in Form Nos. 3CA/3CB and 3CD.

| | Persons | When tax audit is required? |
|-----|---|--|
| (1) | (2) | (3) |
| I | In case of a person carrying on business | |
| (a) | In case of a person carrying on business | If his total sales, turnover or gross receipts in business > ₹ 1 crore in the relevant PY Note – The requirement of audit u/s 44AB does not apply to a person who declares profits and gains for the previous year on presumptive basis u/s 44AD(1). |
| | If in case of such person carrying on business - (i) Aggregate cash receipts in the relevant PY ≤ 5% of total receipts (including receipts for sales, turnover, gross receipts); and (ii) Aggregate cash payments in the relevant PY ≤ 5% of total payments (including amount incurred for expenditure) | If his total sales, turnover or gross receipts in business > ₹ 10 crore in the relevant PY |

| | | |
|-----|--|---|
| (b) | In case of an assessee covered u/s 44AE i.e., an assessee engaged in the business of plying, hiring or leasing goods carriages who owns not more than 10 goods carriages at any time during the P.Y. | If such assessee claims that the profits and gains from business in the relevant P.Y. are lower than the profits and gains computed on a presumptive basis u/s 44AE [i.e., ₹ 1000 per ton of gross vehicle weight or unladen weight in case of each heavy goods vehicle and ₹ 7,500 for each vehicle, other than heavy goods vehicle, for every month or part of the month for which the vehicle is owned by the assessee]. |
| (c) | In case of an eligible assessee carrying on business, whose total turnover, sales, gross receipts ≤ ₹ 200 lakhs, and who has opted for section 44AD in any earlier PY (say, P.Y. 2023-24) | If he declares profit for any of the five successive PYs (say, P.Y.2024-25) not in accordance with section 44AD (i.e., he declares profits lower than 8% or 6% of total turnover, sales or gross receipts, as the case may be, in that year), then, he |
| | In case of an eligible assessee carrying on business, whose aggregate cash receipts in the relevant PY ≤ 5% of total turnover or gross receipts and whose total turnover, sales, gross receipts ≤ ₹ 300 lakhs, and who has opted for section 44AD in any earlier PY (say, P.Y. 2023-24) | cannot opt for section 44AD for five successive PYs after the year of such default (i.e., from P.Y.2025-26 to P.Y.2029-30). For the year of default (i.e., P.Y.2024-25) and five successive previous years (i.e., P.Y.2025-26 to P.Y.2029-30), he has to maintain books of account u/s 44AA and get them audited u/s 44AB, if his income exceeds the basic exemption limit. |
| II | In case of persons carrying on profession | |
| (a) | In case of a person carrying on profession | If his gross receipts in profession > ₹ 50 lakh in the relevant PY. Note – The requirement of audit u/s 44AB does not apply to a person who declares profits and gains for the previous year on presumptive basis u/s 44ADA(1). |
| (b) | In case of an assessee carrying on a notified profession under section 44AA(1) i.e., legal, medical, engineering, accountancy, architecture, interior decoration, technical consultancy, whose gross receipts ≤ ₹ 50 lakhs | If such resident assessee claims that the profits and gains from such profession in the relevant PY are lower than the profits and gains computed on a presumptive basis u/s 44ADA (50% of gross receipts) and his income exceeds the basic exemption limit in that PY. |
| | In case of an assessee carrying on a notified profession under section 44AA(1) i.e., legal, medical, engineering, accountancy, architecture, interior decoration, technical consultancy, whose aggregate cash receipts in the relevant PY ≤ 5% of total gross receipts and whose gross receipts ≤ ₹ 75 lakhs | |

What is the due date by which a taxpayer should get his accounts audited?

A person covered by section 44AB should get his accounts audited and should obtain the audit report on or before 30th September of the relevant assessment year, e.g. Tax audit report for the financial year 2023-24 corresponding to the assessment year 2024-25 should be obtained on or before 30th September, 2024.

The tax audit report is to be electronically filed by the chartered accountant to the Income-tax Department. After filing of report by the chartered accountant, the taxpayer has to approve the report from his e-filing account with Income-tax Department (i.e., at <https://www.incometax.gov.in/iec/foportal>).

What are Form Nos. 3CA/3CB and 3CD?

There are two types of forms: 3CA-3CD and 3CB-3CD. Therefore, only one of two will apply to each taxpayer.

- Form 3CA-3CD applies to a person who is required by or under any law to get its accounts audited.
- Form 3CB-3CD is applicable to a person not referred above, i.e., where accounts are not required to be audited under any other law.

The penalty for not getting the accounts audited as required by section 44AB

According to section 271B, if any person who is required to comply with section 44AB fails to get his accounts audited in respect of any year or years as required under section 44AB or furnish such report as required under section 44AB, the Assessing Officer may impose a penalty. The penalty shall be lower of the following amounts:

(a) 0.5% of the total sales, turnover or gross receipts, as the case may be, in business, or of the gross receipts in profession, in such year or years.

(b) INR 1,50,000.

Learnings

- Section 44AB gives the provisions relating to the class of taxpayers who are required to get their accounts audited from a chartered accountant.
- The chartered accountant conducting the tax audit is required to give his findings, observation, etc., in the form of audit report.
- The report of tax audit is to be given by the chartered accountant in Form Nos. 3CA/3CB and 3CD.
- A person covered by section 44AB should get his accounts audited and should obtain the audit report on or before 30th September of the relevant assessment year

Questions

1. What are types of tax audit report and what are diff between them.
2. Penalty for not getting the accounts audited as required by section 44AB mentioned under which section and what are the penalty
3. Person carrying business whose sales, turnover or gross receipt is 1 crore then is tax audit applicable, and when this 1 crore limit is treated as 10 crore.

Read next: What is IFRS and what is difference between IFRS and IND AS?

02 General

What is IFRS and What is difference between IFRS and IND AS?



Vedika Pawale

What is IFRS?

International Financial Reporting Standards (IFRS) are a set of accounting standards that are used by many countries around the world: Issued by the International Accounting Standards Board (IASB).

Why IFRS:

Modern economies rely on cross-border transactions and the free flow of international capital.

Investors seek diversification and investment opportunities across the world, while companies raise capital, transact or operate in multiple countries.

Just a few decades ago, international business and investment activities were complicated by different countries maintaining their own sets of national accounting standards. This patchwork of accounting requirements often added cost, complexity and ultimately risk both for companies preparing financial statements and investors and others using those financial statements to make economic decisions.

Companies applying national accounting standards had to study the minutiae of all these standards, because even a small difference in requirements could have a major effect on a company's reported financial performance and financial position—for example, a company might have recognised profits under one set

of national accounting standards and losses under another.

Investors had to study the minutiae as well, so they could develop methods to compare financial statements prepared under differing national accounting standards as they assessed investment opportunities.

Benefits of IFRS:

IFRS Accounting Standards addressed these challenges by providing one common reporting language—a high-quality, internationally recognised set of accounting standards that enable companies to provide efficient, cost-effective reporting that meets investors' needs.

IFRS Accounting Standards:

- Bring transparency by enhancing the quality of financial information, enabling investors and other market participants to make informed economic decisions;
- Strengthen accountability by reducing the information gap between investors and companies; and
- Boost economic efficiency by helping investors to assess potential investments across the world, thus allocating capital to the most promising opportunities, and lowering the cost of capital for companies.

IND AS

What is IND AS?

Indian Accounting Standards (Ind AS) are a set of financial reporting standards that govern how companies in India record and account for financial transactions. The standards were developed to align Indian accounting practices with international standards, such as the International Financial Reporting Standards (IFRS).

IND AS is adaption of IFRS with some modifications as required as per Indian Economy.

Applicability of Ind AS:

Phase I

- Phase I As per the Companies (Indian Accounting Standards) Rules, 2015, following companies were covered under Phase I for accounting periods beginning on or after 1st April 2016, with the comparatives for the periods ending on 31st March 2016:
- companies whose equity or debt securities are listed or are in the process of being listed on any stock exchange in India or outside India and having net worth of rupees five hundred crore or more;
- companies other than those covered by sub-clause (a) above and having net worth of rupees five hundred crore or more;
- holding, subsidiary, joint venture or associate companies of companies covered by sub-clause (a) and sub-clause (b) as mentioned above

Phase II

- Following companies were covered under Phase II for accounting periods beginning on or after 1st April 2017, with the comparatives for the periods ending on 31st March 2017:
- Companies whose equity or debt securities are listed or are in the process of being listed on any stock exchange in India or outside India and having net worth of less than rupees five hundred crore;
- Companies other than those covered in sub-clause (a) above i.e. unlisted companies having net worth of rupees two hundred and fifty crore or more but less than rupees five hundred crore.
- Holding, subsidiary, joint venture or associate companies of companies covered by sub-clause (a) and sub-clause (b) as mentioned above.

Summary of Applicability:

- Indian Accounting Standards (Ind AS) are applicable to certain types of companies in India, including:
- all listed companies
- Unlisted companies: Unlisted companies with a net worth of at least INR 250 crore

- Holding, subsidiary, joint venture, or associate companies: Companies that are subsidiaries, joint ventures, or associates of the companies mentioned above
- NBFCs with net worth between INR 250 crore to INR 500 crore.

IND AS is not applicable to insurance, banking, either voluntarily or mandatorily. However, if these entities are subsidiaries, joint ventures, or associates of a parent company covered by the roadmap, they will have to report IND AS adjusted numbers for the parent company.

The applicability of IND AS is based on the company's net worth and listing status. The Ministry of Corporate Affairs (MCA) divides the applicability into phases. A company that meets the net worth criteria at the end of a financial year will be subject to IND AS in the next financial year.

Difference between IFRS and Ind AS:

| | Ind AS | IFRS |
|----------------------|---|--|
| Issuing Body | Institute of Chartered Accountants of India (ICAI) | International Accounting Standards Board (IASB) |
| Applicability | Mandatory in India for all 1) all listed companies. 2) Unlisted companies: Unlisted companies with a net worth of at least INR 250 crore, and 3) NBFCs with net worth between INR 250 crore to INR 500 crore. | Required for domestic public companies to adopt IFRS in the EU and other jurisdictions |
| Basis | Mostly developed based on IFRS | Set of accounting standards |

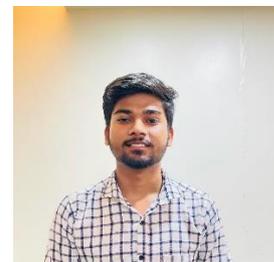
| | practices and principles. | practised in G20 countries |
|---|--|---|
| Financial statements components: | <ol style="list-style-type: none"> 1. Balance sheet 2. Profit & Loss account 3. Cash flow statement 4. Statement of changes in equity 5. Notes to FS 6. Disclosure of accounting policies. | <ol style="list-style-type: none"> 1. Statement of financial position 2. Statement of Profit & Loss 3. Statement of changes in equity for the period 4. Statement of cash flow statement. |

QUESTIONS:

1. Applicability of IND AS.
2. If Co. A limited is listed company and Co. B is small private limited co. which is also subsidiary co. of A limited, will Ind AS applicable to Co. B?
3. What if in next FY Co. B ceases to be subsidiary of Co. A limited?

Read next: Reverse Charge Mechanism

Reverse Charge Mechanism



Aditya Kanade

What is RCM?

The Reverse Charge Mechanism (RCM) is the process of GST Payment by the receiver instead of the supplier. In this case, the liability of tax payment is transferred to the recipient/receiver instead of the supplier.

RCM helps widen the scope of tax levy on various unorganized sectors by shifting the burden of GST payments to the recipient.

Applicability of RCM

The Reverse Charge Mechanism is applicable in the case of:

- Imports of services
- Purchase from an unregistered dealer
- Supply of notified goods and services

Registration under RCM:

A person who is required to pay tax under reverse charge has to compulsorily register under GST and the threshold limit of INR 20 lakhs / 40 Lakhs (INR 10 lakhs for special category states except J & K) is not applicable to them.

RCM in case of Imports:

In terms of Notification no.10/2017-IT(R) dt 28.06.2017, one of the notified category on which GST is applicable under RCM is “any service supplied by any person who is located in a non-taxable territory to any person other than non-taxable online recipient”. Then place of supply shall be the location of the recipient of service. Hence, IGST is to be discharged under RCM when recipient is in India.

RCM in case of Goods u/s 9 (3):

| Description of supply of Goods | Supplier of goods | Recipient of supply |
|--|--|---------------------------------------|
| Cashew nuts, not shelled or peeled | Agriculturist | Any registered person |
| Bidi wrapper Leaves(tendu) | Agriculturist | Any registered person |
| Tobacco leaves | Agriculturist | Any registered person |
| Silk yarn | Any person who manufactures silk yarn from raw silk or silk worm cocoons for supply of silk yarn | Any registered person |
| Raw Cotton | Agriculturist | Any registered person |
| Supply of Lottery | State Government, Union Territory or any local authority | Lottery distributor or selling agent. |
| Used vehicles, seized and confiscated goods, old & | Central Government, State Government, | Any registered person |

| | | |
|-------------------------------------|--------------------------------------|-----------------------|
| used goods, waste and scrap | Union territory or a local authority | |
| Priority Sector Lending Certificate | Any registered person | Any registered person |

RCM in case of services u/s 9 (3):

| Category of Supply Services | Supplier of service | Recipient of Service |
|--|---|--|
| Supply of Services by a goods transport agency(GTA) who has not paid central tax at the rate of 6% in respect of transportation of goods by road | Goods Transport Agency (GTA) who has not paid central tax at the rate of 6% | <ul style="list-style-type: none"> • Factory • Society • Co-operative society • Registered Person • Body Corporate • Partnership Firm • CTP <p>Located in Taxable Territory</p> |
| Services supplied of legal services by advocates | Individual advocate or Firm | Any business entity located in the taxable territory. |
| Services supplied by an arbitral tribunal to a business entity. | An arbitral tribunal. | Any business entity located in the taxable territory. |
| Services provided by way of sponsorship to anybody corporate or | Any Person | Anybody corporate or partnership firm located in the taxable |

| | | |
|---|---|---|
| partnership firm. | | territory |
| Services supplied by the Central Government, State Government, Union territory or local authority to a business entity excluding : <ul style="list-style-type: none"> • Renting of Immovable Property Services by Dept. of posts • Services in relation to aircraft or vessel • Transportation of goods & passenger | Central Government, State Government, Union territory or local authority. | Any business entity located in the taxable Territory. |
| Services supplied by the CG, SG, UT or local authority by way of renting of immovable property | CG, SG, UT or local authority | Any person registered under the CGST Act, 2017. |
| Services supplied by a director of a company | A director of company or a body corporate | The company or a body corporate located in the taxable territory. |
| Services supplied by an insurance agent to any person carrying on insurance business. | An insurance agent | Any person carrying on insurance business, located in the taxable |

| | | |
|--|--|--|
| | | territory. |
| Services supplied by a recovery agent to a banking company or a financial institution or a nonbanking financial company. | A recovery agent | A banking company or a financial institution or a non-banking financial company, located in the taxable territory. |
| Supply of services by an author, music composer, photographer, artist or the like by way of transfer or permitting the use or enjoyment of a copyright | Author or music composer, photographer, artist, or the like | Publisher, music company, producer or the like, located in the taxable territory. |
| Supply of services by the members of Overseeing Committee to Reserve Bank of India | Members of Overseeing Committee constituted by the Reserve Bank of India | Reserve Bank of India. |
| Any service supplied by any person who is located in a non-taxable territory to any person other than non-taxable online recipient. | Any person located in a non-taxable territory | Any person located in the taxable territory other than non-taxable online recipient. |
| Services supplied by any person by way of transfer of development rights or Floor Space Index (FSI) | Any person | Promotor |

| | | |
|--|------------|----------|
| Long term lease of land (30 years or more) | Any person | Promotor |
|--|------------|----------|

RCM in case of services u/s 9 (4):

As per the above provision, whenever a registered person procures supplies from an unregistered supplier, he needs to pay GST on reverse charge basis. Please note that all the transactions of the supply of taxable goods or services or both from an unregistered person to registered were covered under RCM basis without any limit. The entire provisions of section 9 (4) has been recently substituted by the CGST (Amendment) Act, 2018 vide published in Official Gazette on 29th August 2018. The new provisions of Section 9(4) of CGST Act have been notified by the Notification No. 2/2019- Central Tax dated 29th January 2019 notifying the CGST (Amendment) Act, 2018 w.e.f. 01.02.2019.

After a long gap, the Central Government has used its power provided under amended Section 9(4) of the CGST Act, 2017 (Through CGST (Amendment) Act, 2018). In exercise of the powers conferred by Section 9(4) of the CGST Act, 2017, the Central Government notified the registered person and goods and/or services which shall be covered under RCM if received from unregistered suppliers. In this regard, the Central Government has issued a Notification No. 07/2019-Central Tax (Rate) dated 29th March 2019 which has been effective from 01 April, 2019 and will be applicable on "Promoters" only for the 'specified supplies.

RCM in case of e-commerce u/s 9 (5):

RCM is also applicable when certain services are provided through an e-commerce operator and aggregators. In such cases, the e-commerce operator becomes responsible for collecting and remitting the GST to the government on behalf of the supplier.

This majorly applies to the following ecommerce platforms.

- Transportation Services Aggregator: Ola, Uber, Rapido, Porter, etc.
- Accommodation services aggregator: Oyo, MakeMyTrip, and Airbnb.
- Housekeeping services aggregator: Urban Company

Composition dealers must pay tax at normal rates, not composition rates, when discharging RCM liability. They are also ineligible to claim input tax credit on tax paid.

Time of Supply under RCM for Goods:

When reverse charge is applicable, the time of supply for goods will be determined based on the earliest of the following dates:

1. The date of receipt of goods: This is the date when the recipient physically receives the goods.
2. The date immediately after 30 days from the date of issue of an invoice by the supplier: If the supplier has issued an invoice, the time of supply can be 30 days after the invoice date.
3. If it is not possible to determine the time of supply using the above methods, the time of supply will be considered as the date of entry in the books of account of the recipient.

Time of Supply under RCM for Services:

In the case of reverse charge for services, the time of supply will be determined based on the earliest of the following dates:

1. The date of payment: This is the date when the recipient makes the payment for the services.
2. The date immediately after 60 days from the date of issue of the invoice by the supplier: If the supplier has issued an invoice, the time of supply can be 60 days after the invoice date.
3. If it is not possible to determine the time of supply using the above methods, the time of supply will be considered as the date of entry in the books of account of the recipient:

RCM in case of Rent:

Renting commercial property by a registered person to a registered/ unregistered person is liable to GST under Forward Charge. Renting a residential dwelling for use as residence is exempted through entry No. 13 of Notification No. 09/2017-Integrated Tax (Rate).

Renting commercial property by an unregistered person to a registered/ unregistered person was not liable to GST.

With effect from 18th July 2022, renting residential dwellings to registered persons by any person was brought under GST through a Reverse charge mechanism through Notification No. 05/2022-Integrated Tax (Rate) dated 13-07-2022. Therefore, renting residential dwellings, whether by registered persons or unregistered persons, to registered persons was brought under GST through RCM.

With effect from 10th October 2024, as per the recommendation of the GST Council in the 54th GST Council meeting, the renting of commercial property by any unregistered person to any registered person is liable to GST under RCM through Notification No. 09/2024 – Integrated Tax (Rate) dated 8th October 2024.

Learnings:

- RCM helps widen the scope of tax levy on various unorganized sectors by shifting the burden of GST payments to the recipient.
- RCM is applicable on only notified goods & Services u/s 9(3), (4) & (5)
- With effect from 10th October 2024, as per the recommendation of the GST Council in the 54th GST Council meeting, the renting of commercial property by any unregistered person to any registered person is liable to GST under RCM through Notification No. 09/2024 – Integrated Tax (Rate) dated 8th October 2024.

QUESTIONS:

1. Who is liable to pay GST on rent on commercial property?
2. Is I purchase the Netflix subscription any RCM on Import of Goods or services?
3. Is promotor is liable to pay GST on RCM basis if he fulfils the criteria of 80%-20%.

Read next: Wall of Wisdom

WALL OF WISDOM (WOW):

- “Man who fears suffering is already suffering from what he fears”.
- “Plans are only good intension unless they immediately generated into hard work.”

Read next: Do you know?

DO YOU KNOW?

1. Snakes can sense earthquakes days before they occur.
2. There's a place in Canada where gravity is weaker than normal.

What else do You Know?

Let us know.

Read next: Motivational Quote

MOTIVATIONAL QUOTE:

“Man needs his difficulties because they are necessary to enjoy success.”

— 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 st Installment of FY 2024-25 | 15/06/2024 |

| | | | | |
|----------------|---|--|---------------------------------------|------------|
| | 3 | Form 16/ 16A | Q4 FY 2023-24 | 15/06/2024 |
| July-2024 | 1 | TDS/TCS Payment | June 2024 | 07/07/2024 |
| | 2 | TDS Statement for Form 24Q | Q1 FY 2024-25 | 31/07/2024 |
| | 3 | TCS Statement– for Form 26QB, 26QC, 26QD | Q1 FY 2024-25 | 15/07/2024 |
| | 4 | Income tax Return for A.Y. 2024-25 for all assessee other than (a) Assessee whose accounts are required to be audited (b) Partner of a firm whose accounts are required to be audited (c) An assessee who is required to furnish a report under Section 92E. | FY 2023-24 | 31/07/2024 |
| August-2024 | 1 | TDS/TCS Payment | July 2024 | 07/08/2024 |
| September-2024 | 1 | TDS/TCS Payment | August 2024 | 07/09/2024 |
| | 2 | Advance Tax | 2 nd Instalment FY 2024-25 | 15/09/2024 |
| | 3 | Due date for filing of audit report under Section 44AB for AY 2024-25 in the case of a corporate- assessee or non-corporate assessee (who is required to submit his/its return of income on October 31, 2024) | FY 2023-24 | 30/09/2024 |
| | | TDS Statement for Form 26Q and 27Q | Q1 FY 2024-25 | 30/09/2024 |
| October-2024 | 1 | TDS/TCS Payment | September 2024 | 07/10/2024 |
| | 2 | Due date for filing of return of income for AY 2024-25 if assessee is (a) Corporate-assessee (b) Non-corporate assessee (whose books of account are required to be audited) (c) Partner of a firm whose accounts are required to be audited (d) An assessee who is required to furnish a Report u/s 92 E | FY 2023-24 | 31/10/2024 |
| | 3 | TDS Statement for Form 24Q, 26Q and 27Q | Q2 FY 2024-25 | 31/10/2024 |
| | 4 | TCS Statement– for Form 26QB, 26QC, 26QD | Q2 FY 2024-25 | 15/10/2024 |
| November-2024 | 1 | TDS/TCS Payment | October 2024 | 07/11/2024 |
| | 1 | TDS/TCS Payment | November 2024 | 07/12/2024 |

| | | | | |
|---------------|---|--|---|------------|
| December-2024 | 2 | Advance Tax | 3 rd Installment FY 2024-25 | 15/12/2024 |
| | 3 | Filing of belated/revised return of income for the assessment year 2024-25 for all assessee. | FY 2023-24 | 31/12/2024 |
| January-2025 | 1 | TDS/TCS Payment | December 2024 | 07/01/2025 |
| | 2 | TDS Statement for Form 24Q, 26Q and 27Q | Q3 FY 2024-25 | 31/01/2025 |
| | 3 | TCS Statement– for Form 26QB, 26QC, 26QD | Q3 FY 2024-25 | 15/01/2025 |
| February-2025 | 1 | TDS/TCS Payment | January 2025 | 07/02/2025 |
| March-2025 | 1 | Advance Tax | 4 th Installment of FY 2024-25 | 15/03/2025 |
| | 2 | TDS/TCS Payment | February 2025 | 07/03/2025 |

GOODS AND SERVICES TAX ACT

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

| | | | | |
|----------------|---|---|-------------------|------------------|
| | 3 | Monthly Tax Payment under QRMP Scheme(PMT 06) | April 2024 | 25/05/2024 |
| June-2024 | 1 | GSTR 1 (Regular Taxpayers) | May 2024 | 11/06/2024 |
| | 2 | GSTR 3B (Monthly Return) | May 2024 | 20/06/2024 |
| | 3 | Monthly Tax Payment under QRMP Scheme(PMT 06) | May 2024 | 25/06/2024 |
| July-2024 | 1 | GSTR 1 (Regular Taxpayers) | June 2024 | 11/07/2024 |
| | 2 | GSTR 1 (Quarterly Taxpayers) | | Apr to June 2024 |
| | 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 |
| August-2024 | 1 | GSTR 1 (Regular Taxpayers) | July 2024 | 11/08/2024 |
| | 2 | GSTR 3B (Monthly Return) | July 2024 | 20/08/2024 |
| | 3 | Monthly Tax Payment under QRMP Scheme(PMT 06) | July 2024 | 25/08/2024 |
| September-2024 | 1 | GSTR 1 (Regular Taxpayers) | August 2024 | 11/09/2024 |
| | 2 | GSTR 3B (Monthly Return) | August 2024 | 20/09/2024 |
| | 3 | Monthly Tax Payment under QRMP Scheme(PMT 06) | August 2024 | 25/09/2024 |
| October-2024 | 1 | GSTR 1 (Regular Taxpayers) | September 2024 | 11/10/2024 |
| | 2 | GSTR 1 (Quarterly Taxpayers) | July to Sept 2024 | 13/10/2024 |
| | 3 | GSTR 3B (Monthly Return) | September 2024 | 20/10/2024 |
| | 4 | GSTR 3B (Quarterly Return) | July to Sept 2024 | 22/10/2024 |
| | 5 | CMP-08 | July to Sept 2024 | 18/10/2024 |
| November-2024 | 1 | GSTR 1 (Regular Taxpayers) | October 2024 | 11/11/2024 |
| | 2 | GSTR 3B (Monthly Return) | October 2024 | 20/11/2024 |
| | 3 | Monthly Tax Payment under ORMP | October 2024 | 25/11/2024 |

| | | Scheme(PMT 06) | |
|----------------------|---|--|---------------------------------|
| December-2024 | 1 | GSTR 1 (Regular Taxpayers) | November 2024 11/12/2024 |
| | 2 | GSTR 3B (Monthly Return) | November 2024 20/12/2024 |
| | 3 | Monthly Tax Payment under ORMP Scheme(PMT 06) | November 2024 25/12/2024 |
| | 4 | GSTR-9(Annual Return) | FY 2023-24 31/12/2024 |
| January-2025 | 1 | GSTR 1 (Regular Taxpayers) | December 2024 11/01/2025 |
| | 2 | GSTR 1 (Quarterly Return) | Oct to Dec 2024 13/01/2025 |
| | 3 | GSTR 3B (Monthly Return) | December 2024 20/01/2025 |
| | 4 | GSTR 3B Quarterly Return) | Oct to Dec 2024 22/01/2025 |
| | 5 | CMP-08 | Oct to Dec 2024 18/01/2025 |
| February-2025 | 1 | GSTR 1 (Regular Taxpayers) | January 2025 11/02/2025 |
| | 2 | GSTR 3B (Monthly Return) | January 2025 20/02/2025 |
| | 3 | Monthly Tax Payment under QRMP Scheme(PMT 06) | January 2025 25/02/2025 |
| March-2025 | 1 | GSTR 1 (Regular Taxpayers) | February 2025 11/03/2025 |
| | 2 | GSTR 3B (Monthly Return) | February 2025 20/03/2025 |
| | 3 | Monthly Tax Payment under QRMP Scheme(PMT 06) | February 2025 25/03/2025 |
| April-2025 | 1 | GSTR 1 (Regular Taxpayers) | March 2025 11/04/2025 |
| | 2 | GSTR 1 (Quarterly Return) | Jan to Mar 2025 13/04/2025 |
| | 3 | GSTR 3B (Monthly Return) | March 2025 20/04/2025 |
| | 4 | GSTR 3B Quarterly Return) | Jan to Mar 2025 22/04/2025 |
| | 5 | CMP-08 | Jan to Mar 2025 18/04/2025 |
| | 6 | GSTR 4(Annual Return under Composition scheme) | Apr 2024 to Mar 2025 30-04-2025 |

COMPANIES ACT

| Due Dates in the Month of | Particulars | Description | Due Date |
|---------------------------|--|---|--|
| April-2024 | Form MSME (outstanding payments to MSME's) | The return is to be filed by any company, who get supplies of goods or services from micro and small enterprises and whose payments to micro and small enterprise suppliers exceed forty-five days from the date of acceptance or the date of deemed acceptance of the goods or services. | 30 th April 2024 (For the period of October'23 – March'24) |
| May-2024 | LLP FORM-11 | Annual Return (to be filed by all LLP's irrespective of turnover) | 30 th May 2024 |
| June-2024 | DPT-3 | To be filed in case company has deposit or exempted deposit. | 30th June 2024 |
| September-2024 | DIR-3 KYC | Form for Director KYC. Need to be filed mandatorily for every director on Board | 30 th September 2024 |
| October-2024 | ADT-1 | Form for Auditor Appointment | 15 th October 2024 |
| | AOC-4 | Form for filing Financials, Auditors Report, Directors Report, etc. | 30 th October 2024 |
| | Form MSME (outstanding payments to MSME's) | The return is to be filed by any company, who get supplies of goods or services from micro and small enterprises and whose payments to micro and small enterprise suppliers exceed forty-five days from the date of acceptance or the date of deemed acceptance of the goods or services. | 31 st October 2024 (For the period of April'24 – September'24) |
| November-2024 | MGT-7 | ROC Annual Return (Details of Shareholding etc.) | 29 th November 2024 |
| Event Based | CHG FORMS | Form for charge creation, modification, satisfaction | Within 30 days of any charge occurring |
| | DIR-12 | Form for Director Changes (Appointment/Resignation/Death) | Within 30 days of any charge occurring |

PTRC and PTEC Compliance

| Due Dates in the Month of | Particulars | Description | Due Date |
|---------------------------|-------------|--|--|
| June-2024 | PTEC | Person who stands enrolled before the commencement of a year or is enrolled on or before 31st May of a year (F.Y. 2023-24) | 30/06/2024 |
| | | Person who is enrolled after the 31st May of a year | Within one month of the date of enrolment |
| | | Person who is enrolled and the rate of tax at which he is liable to pay tax is revised | Within one month of the date of such revision |
| March-2025 | PTRC | Yearly - Tax Liability is less than INR 1,00,000/- | 31/03/2024 |
| | | Monthly - Tax Liability is equal to or more than INR 1,00,000/- | The last date of the month to which the return relates |

VAT

| Due Dates in the Month of | Particulars | For the Period | Due Date |
|---------------------------|----------------------------------|-------------------------------|------------|
| April 2024 | 1 Monthly Return (VAT payment) | March 2024 | 21/04/2024 |
| | 2 Quarterly Return (VAT payment) | January 2024 to March 2024 | 21/04/2024 |
| May 2024 | 1 Monthly Return (VAT payment) | April 2024 | 21/05/2024 |
| June 2024 | 1 Monthly Return (VAT payment) | May 2024 | 21/06/2024 |
| July 2024 | 1 Monthly Return (VAT payment) | June 2024 | 21/07/2024 |
| | 2 Quarterly Return (VAT payment) | April 2024 to June 2024 | 21/07/2024 |
| August 2024 | 1 Monthly Return (VAT payment) | July 2024 | 21/08/2024 |
| September 2024 | 1 Monthly Return (VAT payment) | August 2024 | 21/09/2024 |
| | 1 Monthly Return (VAT payment) | September 2024 | 21/10/2024 |
| October 2024 | 2 Quarterly Return (VAT payment) | July 2024 to September 2024 | 21/10/2024 |
| | 1 Monthly Return (VAT payment) | October 2024 | 21/11/2024 |
| November 2024 | 1 Monthly Return (VAT payment) | November 2024 | 21/12/2024 |
| | 1 Monthly Return (VAT payment) | December 2024 | 21/01/2025 |
| January 2025 | 2 VAT Audit (Form 704) | F.Y. 2023-2024 | 15/01/2025 |
| | 3 Quarterly Return (VAT payment) | October 2024 to December 2024 | 21/01/2025 |
| February 2025 | 1 Monthly Return (VAT payment) | January 2025 | 21/02/2025 |
| March 2025 | 1 Monthly Return (VAT payment) | February 2025 | 21/03/2025 |

Summary of Penalties of Income Tax

| Particulars | Description | Amount/ Interest rate |
|--|--|---|
| 1. Default in making payment of tax. | The amount of penalty leviable will be as determined by the Assessing Officer. However, the amount will not exceed the amount of tax in arrears 2023 | Penalty determined by the assessing officer |
| 2. Under-reporting of income. | 1. If the income assessed/ re-assessed exceeds the income declared by the assessee, or in cases where return has not been filed and income exceeds the basic exemption limit, penalty at 50% of tax payable on such under reported income shall be levied. | 50% of tax payable Under reported Income OR 200% of tax payable from misreporting of income |
| | 2. 200% of the tax is payable if under-reporting results from misreporting of income | |
| 3. Failure to maintain books of accounts and other documents | 1. Normally, the amount of penalty leviable is INR25,000 | INR 25000 OR 2% of value of International transaction |
| | 2. In case, the assessee is a person who has entered into international transaction, the penalty will be 2% of the value of such international transactions or specified domestic transactions | |
| 4. Penalty for false entry such as fake invoices | 1. The assessee might have to pay a penalty of the amount equal to sum of such false or omitted entries. | Amount equal to such false or omitted entries |
| 5. Undisclosed income | 1. If undisclosed income is admitted during the course of Search and assessee pays tax and interest and files return, a penalty @ 30% of such undisclosed income is payable. | 30% OR 60% |
| | 2. In all other cases, penalty is leviable @ 60% | |
| 6. Audit and Audit Report | 1. If the assessee fails to get his accounts audited, obtain audit report, or furnish report of such auditor, a penalty will be leviable at the INR 1,50,000 or 0.5% of the total sale/ Turnover/ gross receipts whichever is lesser. | INR 150000/- OR 0.5% of total sale, turnover/gross receipt |
| | 2. Failure of assessee to furnish Audit report related to foreign transaction, a penalty @ INR 1,00,000 will be payable | |

| | | |
|--|---|--|
| 7. TDS/TCS | 1. Where a person fails to deduct tax at source, he will be liable to pay a penalty equal to the amount of tax which he has failed to deduct/ pay. | Penalty equal to amount of Tax, |
| | 2. Where a person fails to collect tax at source, he will be liable to pay a penalty equal to the amount of tax which he has failed to collect. | |
| | 3. Failure to furnish TDS/TCS statement or furnishing incorrect statements, shall attract a penalty ranging from 10,000 to 1,00,000 | INR 10000/-to INR 100000/- |
| | 4. Non-Deduction of TDS, either in whole or part | 1% Per month |
| | 5. Non-payment of TDS (after deduction), either in whole or part | 1.5% per month |
| | 6. Failure to furnish information/ furnishing inaccurate information related to TDS deduction related regarding Non-residents shall attract a penalty of 100,000 | INR 100000/- |
| 8. Penalty for using modes other than Account payee cheque/ draft/ ECS | 1. If a person takes/ accepts loan/ deposit except by way of Account payee cheque/ account payee draft/ ECS, and if the aggregate amount exceeds INR20,000, he shall be liable to pay a penalty of an amount equal to such loan/ deposit. | Penalty amount equals to such loan / deposit |
| | 2. If, an amount of INR2,00,000 or more is received in aggregate from a person in a day/ single transaction/ relating to one event, a penalty equal to such amount will be payable. | |
| | 3. If a person repays loan/ deposit and such amount so repaid exceeds INR20,000 and such amount has been repaid except by way of Account payee cheque/ account payee draft/ ECS, an amount equal to such loan/ deposit shall be payable. | |
| 9. Others | 1. Failure to apply/quote/ intimate PAN/ quoting false PAN shall attract a penalty of INR10,000 | INR 10000/- |
| | 2. Failure to apply/quote TAN/ quoting false TAN shall attract a penalty of INR10,000 | |
| | In case of the following defaults, INR10,000 will be the penalty leviable, | |
| | 1. Refusal to answer questions put by the department | |

| | | |
|---------------------|--|-------------|
| | 2. Refusal to sign statements made in income tax proceedings | |
| | 3. Noncompliance with summons to give evidence/ produce books of accounts | |
| | 4. Failure to comply with a notice | |
| 10. late Filing ITR | 1. If the ITR is filed after the due date but by 31st December of the succeeding year. | INR 5000/- |
| | 2. If the ITR is filed after 31st December of the succeeding year. | INR 10000/- |
| | 3. for small taxpayers having total income of up to INR 5 lakh. | INR 1000/- |

Read next: Amendment Summary

Amendment Summary

| DEC-2022 | | | | | | |
|----------|---------|--------------|------------------|--------|----------|--------|
| MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY | SATURDAY | SUNDAY |
| | | | 1 Central Excise | 2 | 3 | 4 |
| 5 | 6 | 7 Direct Tax | 8 | 9 | 10 | 11 |
| 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| 26 | 27 | 28 | 29 | 30 | 31 | |

| Sr. No. | Date | Area of Knowledge (AOK) | Notification/ Circular/ Press Release | Short Description |
|---------|-----------|-------------------------|---|---|
| 1 | 1/12/2022 | Central excise | Notification No 40.2022 | To reduce the Special Additional Excise Duty on Diesel, Seeks to further amend No. 04/2022-Central Excise, dated the 30th June, 2022 |
| 2 | 1/12/2022 | Central excise | Notification No 41.2022 | To reduce the Special Additional Excise Duty on production of Petroleum Crude, Seeks to amend No. 18/2022-Central Excise, dated the 19th July, 2022 |
| 3 | 7/12/2022 | Direct Tax | Circular No 24.2022 | Deduction Of Tax At Source income-Tax Deduction From Salaries Under Section 192 Of The Income-Tax Act, 1961 During The Financial Year 2022-23 |

Rectifications in the previous Newsletter:

No Rectifications pertaining to the previous Newsletter(s).

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