

DAHOTRE & DAHOTRE
Chartered Accountants



Knowledge and Development Committee

Newsletter

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Editor-in-Chief's Message

Hello readers!

Welcome to the **09**th Newsletter Edition of 2025.

In this issue, we will discuss Advance Tax under Income tax and Sec 194N: TDS on Cash Withdrawal. Also, we will know about Remuneration to Partner and interest on Capital.

Vinod Jangid
Editor-in-chief

Team's Message

"Remember the past, plan for the future, but live for today, because yesterday is gone and tomorrow may never come."

Pramod Limaye
CBDO

Short Updates:

RERA

- MahaRERA sees compliance surge, project updates jump from 0.02% to 62%.
- In a major boost to transparency in Maharashtra's real estate sector, the number of developers updating their housing project details on the Maharashtra Real Estate Regulatory Authority (MahaRERA) website has surged from a mere 0.02% in January 2023 to an impressive 62% at present. The sharp rise in compliance is attributed to MahaRERA's stringent measures, including freezing bank accounts linked to non-compliant projects and suspending registration numbers.

Direct Tax

- Extension of due date for filing of Form No. 56F under the Income-tax Act, 1961
- Central Board of Direct Taxes (CBDT) has extended the due date for filing Form 56F under the Income-tax Act, 1961. This extension is granted in response

to difficulties faced by taxpayers and stakeholders in submitting the required accountant's report under Section 10AA (8) read with Section 10A(5) of the Act. To mitigate genuine hardship, CBDT, exercising its authority under Section 119(2) (b), has extended the deadline for Assessment Year 2024-25 from the original date specified under Section 44AB to March 31, 2025. The decision aims to provide relief to taxpayers who were unable to comply with the initial deadline.

General

- The Mahakumbh Mela 2025 in Prayagraj recently concluded on February 26th, coinciding with Mahashivratri. This grand event saw over 66 crore devotees taking a holy dip at the Triveni Sangam.
- The Mahakumbh Mela 2025 generated over INR 3 lakh crore (approximately \$36 billion) in revenue. This substantial economic impact was driven by the massive influx of devotees and tourists, who spent heavily across various sectors such as hospitality, transportation, retail, and food services.

01 Direct Tax

Advance Tax under Income tax



Shivanjali Tambe

What is Advance Tax?

Advance tax is the amount of income tax that is paid much in advance rather than a lump-sum payment at the year-end. Also known as earn tax; advance tax is to be paid in instalments as per the due dates decided by the income tax department.

Who should pay advance tax?

Every taxpayer with an estimated tax liability of INR 10,000 or more in a financial year is liable to pay advance tax. To elaborate further, here is who should pay advance tax:

Salaried individuals

Salaried individuals can pay advance tax on their income earned through their jobs if their total tax liability is more than INR 10,000 in a financial year.

Freelancers

Freelancers can pay advance tax on their varied sources of income earned throughout the year, if their total tax liability exceeds INR 10,000 in a financial year.

Businesses

Businesses can pay an advance tax under the presumptive taxation scheme of Section 44AD on the income generated through their company.

Senior Citizens

Senior citizens who have earned a business income in a financial year must pay advance tax.

Presumptive income for professionals

Self-employed professionals like lawyers, doctors, architects and others who fall within the presumptive scheme outlined in Section 44ADA must pay advance tax.

Why is advance tax important?

Advance tax is the income tax paid in advance for the income earned in a particular financial year. Usually, the tax is to be paid when the income is earned. Still, under the tax provisions of advance tax, the payer has to estimate the income for the entire year. And based on this estimate the tax is paid at specific time intervals. Here it is important that the tax payer estimates the income and then calculates the estimated tax on it to check whether he or she needs to pay the advance tax and how much.

What are the important dates in advance tax?

Advance tax varies with the due dates. For FY 2017-18, the advance tax to be paid by an individual, as well as corporate assesses, are as follows:

| | Due Date | Advance Tax Payable |
|----|---------------------------|---------------------|
| 1. | On or before June 15 | 15% |
| 2. | On or before September 15 | 45% |
| 3. | On or before December 15 | 75% |
| 4. | On or before March 15 | 100% |

How is advance tax calculated?

Here is how the advance tax to be paid is arrived at:

Income tax on estimated total income

- Relief under section 87A

= Income tax after relief u/s 87A

+ Surcharge on the estimated income

- = Tax Liability
- + Education cess
- + SHEC
- = Total Tax Liability
- Relief other than relief u/s 87A
- TDS
- = Advance Tax Liability

Which forms are required in advance tax?

- Challan No. ITNS 280 is the form that needs to be duly filed on the prescribed due dates. Pre-requisites of Challan No. ITNS 280 are:
- PAN Details: Carefully publish correct PAN details, or else your tax will be deposited in someone else's name
- Assessment Year: Select the correct assessment year for which the tax is to be paid as it is going out in advance for the upcoming financial year
- Selecting the type of payment: The taxpayer has to select the type of payment in the form. If the tax is being paid for the same financial year based on the estimated income- it would be advance tax. If the tax is being paid after the end of the financial year – it would be self-assessment tax.
- After the payment is made, a Challan Identification Number (CIN) will be provided. You are required to keep a note of the same and use this CIN while filing for income tax return. Also, verify once whether the IT department has received the online payment made through ITNS 280.

What is the interest on late payment of advance tax?

Here's what happens in case of late payment of advance tax:

Interest under 234B

According to Section 234B, you are required to pay at least 90% of your total taxes through advance tax or Tax Deducted at Source / Tax Collected at Source (TDS / TCS) by March 31. In case of failure to pay advance

tax, you will incur interest charges under Section 234B at an interest rate of 1% on the unpaid amount.

Interest under 234C

Under Section 234C, you will incur the following charges:

| Scenario | Interest rate | Duration of Interest | Basis for Interest Calculation |
|---------------------------------------------------|---------------|----------------------|--------------------------------------------------------|
| Advance tax paid by June 15 is less than 15% | 1% per month | 3 months | 15% of total amount minus tax paid before June 15 |
| Advance tax paid by September 15 is less than 45% | 1% per month | 3 months | 45% of total amount minus tax paid before September 15 |
| Advance tax paid by December 15 is less than 75% | 1% per month | 3 months | 75% of total amount minus tax paid before December 15 |
| Advance tax paid by March 15 is less than 100% | 1% per month | 1 month | 100% of total amount minus tax paid before March 15 |

Example for Advance Tax Calculation

Let's understand the calculation with the help of an example. Ajay is a freelancer earning income from the profession of interior decoration. For the FY 2024-25, Ajay estimates his annual gross receipts at INR 20,00,000. Ajay estimates his expenses at INR 12,00,000. Ajay has deposited INR 40,000 in PPF account. Ajay has also paid INR 25,000 towards the LIC premium. Further, Ajay has paid INR 12,000 towards the medical insurance premiums. Professional receipts of Ajay are subject to TDS. Ajay estimates a TDS of INR 30,000 on certain professional receipts for the FY 2024-25. Besides professional receipts, Ajay estimates an interest of INR 10,000 on fixed deposits held by him. Ajay's advance tax liability would be as below:

• Income Estimation For Advance Tax

| Income Estimation For Advance Tax | AMOUNT (INR) | AMOUNT (INR) |
|------------------------------------------------------------|--------------|-----------------|
| Income from profession: | | |
| Gross receipts | 20,00,000 | |
| Less: Expenses | 12,00,000 | 8,00,000 |
| | | |
| Income from other sources: | | |
| Interest from fixed deposit | | 10,000 |
| GROSS TOTAL INCOME | | 8,10,000 |
| Less: Deduction under section 80C | | |
| Contribution to PPF | 40,000 | |
| LIC premium | 25,000 | |
| | 65,000 | |
| Deduction under section 80D | 12,000 | 77,000 |
| TOTAL INCOME | | 7,33,000 |
| | | |
| TAX PAYABLE | | 59,100 |
| Add: Education cess @ 4% | | 2,364 |
| | | 61,464 |
| Less: TDS | | 30,000 |
| TAX PAYABLE IN ADVANCE (as it exceeds Rs.10,000) | | 31,464 |

| Due date | Advance tax payable | Amount (INR) |
|---------------------|---------------------|---------------------|
| 15th June | 15% of Advance tax | 4,700 |
| 15th September | 45% of Advance tax | 9,400 (14,100-4700) |
| 15th December | 75% of Advance tax | 9,400 (23500-14100) |
| 100% of Advance tax | 100% of Advance tax | 7900 (31,400-23500) |

Advance Tax FAQs

Note:

1. The above example of tax liability is calculated under the old tax regime since deductions under section 80C are beneficial to the assessee & the said section is available only in the case of the old tax regime.
2. In the above case, the assessee is not liable to pay any advance if the net tax liability is not more than INR 10,000, after adjusting with the TDS/TCS.

Tax payable/Tax Refundable

Advance tax is the payment of tax during the financial year in 4 instalments based on the estimated income for the year to avoid lump sum tax payment at the year end. If there is a shortage/excess of tax payment after adjusting advance tax, tax deducted at source & tax collected at source, the assessee would arrive at the tax payable or tax refundable, respectively

Questions

1. What if I pay advance tax* less or more than required for a financial year?
 - The IT Act has provided four dates and the percentage of advance tax to be paid on each of these dates. If by chance you have paid the excess advance tax you would receive a refund subject to section 237 of the Income Tax Act with 6% interest per annum on the excess amount subject to Section 244A of the Act if the excess is more than 10% of the tax liability. If on March 15, you find that you have a shortfall of advance tax to be paid you can still pay the advance tax before March 31 and the same would be treated as advance tax.
2. What is the penalty for missing the dates of payment of Advance Tax?
 - If you miss the dates for payment of advance tax you will be levied interest under section 234B and 234C of the Income tax Act.
3. Can I claim deduction under 80C while estimating income for determining my advance tax?
 - Yes, you can claim deduction under Section 80C while estimating income for determining your advance tax.

4. Is an NRI liable for payment of advance tax?
 - Yes, an NRI is liable for payment of advance tax on the income earned in India as per provisions of the Income tax Act in force for the relevant assessment year.

Read next: [Presumptive Taxation Scheme under section 44ADA](#)

02 Direct Tax

Presumptive Taxation Scheme under section 44ADA



Sakshi Pawar

Did you know that people engaged in various professions such as legal, medical, interior decorators, freelancers etc. can pay income tax on just half of their income. Well, in order to make tax filing simplified for all the professionals, a scheme for presumptive taxation was introduced under section 44ADA from the FY 2016-17.

What is Presumptive Income?

Presumptive income refers to the simplified method of calculating taxable income for certain types of businesses and professionals. Instead to determine the actual income based on the income and expenses record. The tax authorities assume a certain percentage of turnover as taxable income.

This method is created to decrease administrative burdens on small businesses and professionals. It also aims to prevent tax evasion by providing a straightforward and predictable way to calculate tax liability.

What is Section 44ADA of the Income Tax Act?

Section 44ADA is a special provision for calculating the taxable income for small professionals in certain circumstances.

Section 44ADA was introduced to extend the scheme of simplified presumptive taxation to specified professionals. Earlier, the presumptive scheme of tax was available only to small businesses.

The presumptive scheme of taxation reduces the compliance burden on small professions and facilitates ease of doing business. Under the presumptive scheme of taxation, profits/taxable income is presumed at 50% of the gross receipts.

The benefit of section 44ADA can be taken only by those specified professionals whose annual gross receipts are under Rs.50 lakh (This limit is Rs.75 lakh, provided 95% of the receipts are through recognised banking channel i.e., through account payee cheque, demand draft, electronic clearing system or other recognised modes).

Professions Eligible under Section 44ADA.

- Accountants
- Medical services
- Legal services
- Technical consultants
- Engineers
- Architecture
- Interior Decorators
- Film artists
- Company secretaries
- Other professions mentioned by the Central Board of Direct Taxes

Notably, this taxation regime of presumptive income under section 44ADA applies to residents who are – HUF, Individuals, and Partnerships Firms other than LLP.

Rate of Presumptive Tax under Section 44ADA.

The income covered under Section 44ADA is 50% of the gross earnings from a profession for the given fiscal year. It must be noted that such a figure has been ascertained on the assumption that professionals incur a relatively low expenditure when compared to business owners. Also, eligible professionals can declare expenses over 50% of the total receipts if required.

Calculation of Income under section 44ADA.

Mr X is an independent interior designer. For the financial year 2023-24, his collections are INR 40 lakhs. He spends an estimated amount of INR 10 lakhs annually on rent, transport, utility, and travelling.

Here, we can compare his taxable income under normal provisions and the presumptive scheme as below:

- Under Normal Provision:

Gross Receipts: INR 40,00,000

Less: Expenses INR 10,00,000

Net Profit: INR 30,00,000

- Under Presumptive Scheme.

Gross Receipts: INR 40,00,000

Less: 50% deemed as expenses, leaving INR 20,00,000

Net Profit: INR 20,00,000

The net profit under the normal provisions is higher than the presumptive scheme, making it beneficial to choose the presumptive scheme of taxation under section 44ADA.

Examples of Presumptive Scheme for Professionals under Section 44ADA

Example 1: Mr. Raj is a freelance graphic designer. His total receipts for FY 2023-24 are INR 35 lakhs, and his annual business expenses, including office rent, travel, and utilities, total INR 12 lakhs.

In this case, Mr. Raj can opt for presumptive taxation under Section 44ADA, as the taxable income is 50% of gross receipts, which offers him a simpler tax solution.

| Particulars | Under Normal Provisions | Under Presumptive Basis |
|-----------------------------|-------------------------|-------------------------|
| Gross Receipts | Rs. 35 lakhs | Rs. 35 lakhs |
| Less: Expenses Allowed | (Rs. 12 lakhs) | (Rs. 17.5 lakhs) |
| Net Profit / Taxable Income | Rs. 23 lakhs | Rs. 17.5 lakhs |

Example 2: Dr. Meera is a medical practitioner with total gross receipts of INR 60 lakhs, of which cash receipts amount to INR 2,80,000. Her total expenses for the year are INR 11 lakhs.

| Particulars | Amount |
|--------------------------------------------------|---------------|
| Total Gross Receipts | Rs. 60,00,000 |
| Cash Receipts (within 5% of total) | Rs. 2,80,000 |
| Income Chargeable under Presumptive Scheme (50%) | Rs. 30,00,000 |

Since Dr. Meera's total gross receipts are below the revised limit of INR 75 lakhs, and her cash receipts are less than 5% of the total, she qualifies for presumptive taxation under Section 44ADA, where 50% of the gross receipts are considered her taxable income.

When is it Mandatory to Maintain Books of Account and Get Accounts Audited?

An assessee is required to maintain books of accounts and get them audited under Section 44AB of the Income Tax Act if any of the following conditions are met:

1. Gross Receipts Threshold:
 - If gross receipts exceed INR 50 lakhs in a financial year.
 - The limit is relaxed to INR 75 lakhs if cash receipts do not exceed 5% of total gross receipts in the previous year.
2. Lower Income Declaration:
 - If income from the profession is reported at less than 50% of gross receipts.
 - Additionally, if the claimed expenses exceed 50% of gross receipts and the total income is above the basic exemption limit.

These rules are designed to ensure accurate reporting and compliance with tax regulations.

Which kind of IT Return needs to be filed for the presumptive taxation plan?

Individual taxpayers must report such income as "Profit and Gains of Business or Profession" (PGBP) and make sure to file Form ITR-4 (Sugam) on the IRS web if they have chosen to be subject to presumptive taxation under Section 44ADA.

Can a professional opt out of the presumptive taxation scheme under Section 44ADA after opting in once?

Yes, a professional can opt out of the presumptive taxation scheme after opting in, but they must note that if they opt out, they cannot opt back into the scheme for the next five years. This rule ensures consistency in tax compliance once the presumptive scheme is chosen.

What is the penalty for not filing a tax return under Section 44ADA?

If a professional fails to file their tax return under Section 44ADA by the due date, they may be subject to a late filing fee under Section 234F. Additionally, they could face penalties for non-compliance if their total income exceeds the basic exemption limit and they have not filed a return.

Penalty

- 1,50,000
- Or 0.5% of total sales, turnover or gross receipts whichever is less
- Disallowance of certain expenses and/or failing to take benefits such as carrying forward losses, depreciation, etc.

Learnings

1. We learnt about Section 44ADA under the income tax act.
2. Calculation of income under section 44ADA.
3. Professionals eligible under section 44ADA.

Questions

1. Which kind of IT Return needs to be filed for the presumptive taxation plan?
2. What is the penalty for non-compliance?
3. Are non-resident professionals eligible to opt for Section 44ADA?

Read next: Remuneration to Partner and interest on Capital

03 General

Remuneration to Partner and interest on Capital



Dipali Kalyankar

Partnership is the relation between persons who have agreed to share the profits of a business carried on by all or any of them acting for all. Persons who have entered into partnership with one another are called individually, "partners" and collectively "a firm", and the name under which their business is carried on is called the "firm-name".

MUTUAL RIGHT AND LIABILITIES. (SEC 13)

Subject to contract between the partners -

- a. A partner is not entitled to receive remuneration for taking part in the conduct of the business;
- b. The partners are entitled to share equally in the profits earned, and shall contribute equally to the losses sustained by the firm;
- c. Where a partner is entitled to interest on the capital subscribed by him, such interest shall be payable only out of profits;
- d. A partner making, for the purposes of the business, any payment or advance beyond the amount of capital he has agreed to subscribe, is entitled to interest thereon at the rate of six per cent. per annum;
- e. The firm shall indemnify a partner in respect of payments made and liabilities incurred by him
- i. In the ordinary and proper conduct of the business; and
- ii. in doing such act, in an emergency, for the purpose of protecting the firm from loss, as would be done by a person of ordinary prudence, in his own case, under similar circumstances; and
- f. A partner shall indemnify the firm for any loss caused to it by his wilful neglect in the conduct of the business of the firm.

TDS IMPLICATIONS

Under the Indian Income Tax Act, 1961, the provisions for Tax Deduction at Source (TDS) on payments to partners by partnership firms have been updated with the introduction of Section 194T, effective from April 1, 2025.

Key Points of Section 194T:

A. Types of Payments Covered:

1. Salary
2. Remuneration
3. Commission
4. Bonus
5. Interest on any account (including capital account)

B. TDS Rate and Threshold:

1. TDS is to be deducted at a rate of 10%.
2. TDS is applicable only if the aggregate payments to a partner exceed INR 20,000 in a financial year.

C. When to Deduct TDS:

TDS should be deducted at the earlier of the following dates:

1. Credit of the sum/payment to the partner's account in the firm's books.
2. Actual payment to the partner.

ASSUME A PARTNERSHIP FIRM WITH THE FOLLOWING DETAILS:

- 1) Existing Partners: A, B, and C

New Partner: D (joined on October 1, 2024)

Capital Contributions:

Partner A: INR 10,00,000

Partner B: INR 7,00,000

Partner C: INR 5,00,000

Partner D: INR 8,00,000 (contributed on October 1, 2024)

2) Loan to Firm: Partner A provided a loan of INR 5,00,000 at an interest rate of 10% per annum

3) Profit for the Year: INR 30,00,000

4) Interest on Capital: 12% per annum

5) Remuneration to Partners:

- Partner A: INR 4,00,000
- Partner B: INR 3,00,000
- Partner C: INR 2,50,000
- Partner D: INR 2,00,000 (for the period from October 1, 2024, to March 31, 2025)

6) Profit Sharing Ratio: 4:3:2:1 (after D joins)

Interest on Capital

Interest on capital is calculated as follows:

- Partner A: $\text{INR } 10,00,000 * 12\% = \text{INR } 1,20,000$
- Partner B: $\text{INR } 7,00,000 * 12\% = \text{INR } 84,000$
- Partner C: $\text{INR } 5,00,000 * 12\% = \text{INR } 60,000$
- Partner D: $\text{INR } 8,00,000 * 12\% * 6/12 = \text{INR } 48,000$ (since D joined halfway through the year)
- Total Interest on Capital: $\text{INR } 1,20,000 + \text{INR } 84,000 + \text{INR } 60,000 + \text{INR } 48,000 = \text{INR } 3,12,000$

Interest on Loan

- Interest on the loan provided by Partner A is calculated as follows:
- Partner A: $\text{INR } 5,00,000 * 10\% = \text{INR } 50,000$

Remuneration to Partners

- Remuneration is calculated as follows:

- Partner A: INR 4,00,000
- Partner B: INR 3,00,000
- Partner C: INR 2,50,000
- Partner D: INR 2,00,000

Total Remuneration: $\text{INR } 4,00,000 + \text{INR } 3,00,000 + \text{INR } 2,50,000 + \text{INR } 2,00,000 = \text{INR } 11,50,000$

Total Deductions

Total deductions (Interest on Capital + Remuneration + Interest on Loan): $\text{INR } 3,12,000 + \text{INR } 11,50,000 + \text{INR } 50,000 = \text{INR } 15,12,000$

Net Profit after Deductions

Net Profit = Total Profit - Total Deductions
Net Profit = $\text{INR } 30,00,000 - \text{INR } 15,12,000 = \text{INR } 14,88,000$

Distribution of Net Profit

- The remaining profit of INR 14,88,000 will be distributed among the partners according to their profit-sharing ratio (4:3:2:1).
- Partner A: $\text{INR } 14,88,000 * 4/10 = \text{INR } 5,95,200$
- Partner B: $\text{INR } 14,88,000 * 3/10 = \text{INR } 4,46,400$
- Partner C: $\text{INR } 14,88,000 * 2/10 = \text{INR } 2,97,600$
- Partner D: $\text{INR } 14,88,000 * 1/10 = \text{INR } 1,48,800$

Learnings

1. Meaning and definition of partnership firm and related terms.
2. MUTUAL RIGHT AND LIABILITIES of partners.
3. TDS implications on the partnership firm.

Questions

1. What is the applicability of tax audit for a partnership firm?
2. Do partnership firms need to be registered?
3. What should be included in a partnership deed?

Read next: Wall of Wisdom

WALL OF WISDOM (WOW):

- "You are never too old to set another goal."
- "Keep your eyes on the stars, and your feet on the ground."

Read next: Do you know?

DO YOU KNOW?

1. Did you know the average person blinks 14 to 17 times per minute?
2. Did you know no number before 1,000 contains the letter A?

What else do You Know?

Let us know.

Read next: Motivational Quote

MOTIVATIONAL QUOTE:

**"Success comes from experience.
Experience comes from bad
experience."**

— Chetan Bhagat

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 2025

| Month's | Best Presenters |
|---------|-----------------|
| January | Vedika Pawale |

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 | FY 2023-24 | 30/09/2024 |

| | October 31, 2024) | Q1 FY 2024-25 | |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|-------------------|
| | TDS Statement for Form 26Q and 27Q | | 30/09/2024 |
| October-2024 | 1 TDS/TCS Payment | September 2024 | 07/10/2024 |
| | 2 Due date for filing of return of income for AY 2024-25 if assessee is (a) Corporate-assessee (b) Non-corporate assessee (whose books of account are required to be audited) (c) Partner of a firm whose accounts are required to be audited (d) An assessee who is required to furnish a Report u/s 92 E | FY 2023-24 | 31/10/2024 |
| | 3 TDS Statement for Form 24Q, 26Q and 27Q | Q2 FY 2024-25 | 31/10/2024 |
| | 4 TCS Statement– for Form 26QB, 26QC, 26QD | Q2 FY 2024-25 | 15/10/2024 |
| November-2024 | 1 TDS/TCS Payment | October 2024 | 07/11/2024 |
| December-2024 | 1 TDS/TCS Payment | November 2024 | 07/12/2024 |
| | 2 Advance Tax | 3 rd Installment FY 2024-25 | 15/12/2024 |
| | 3 Filing of belated/revised return of income for the assessment year 2024-25 for all assessee. | FY 2023-24 | 31/12/2024 |
| January-2025 | 1 TDS/TCS Payment | December 2024 | 07/01/2025 |
| | 2 TDS Statement for Form 24Q, 26Q and 27Q | Q3 FY 2024-25 | 31/01/2025 |
| | 3 TCS Statement– for Form 26QB, 26QC, 26QD | Q3 FY 2024-25 | 15/01/2025 |
| February-2025 | 1 TDS/TCS Payment | January 2025 | 07/02/2025 |
| March-2025 | 1 Advance Tax | 4 th Installment of FY 2024-25 | 15/03/2025 |
| | 2 TDS/TCS Payment | February 2025 | 07/03/2025 |

GOODS AND SERVICES TAX ACT

| Due Dates in the Month of | Particulars | For the Period | Due Date |
|--------------------------------------------------|-------------------------------------------------|------------------|------------|
| April-2024 | 1 GSTR 1 (Regular Taxpayers) | March 2024 | 11/04/2024 |
| | 2 GSTR 1 (Quarterly Taxpayers) | March 2024 | 13/04/2024 |
| | 3 GSTR 3B (Monthly Return) | March 2024 | 20/04/2024 |
| | 3 GSTR 3B (Quarterly Return) | Jan to Mar 2024 | 22/04/2024 |
| | 4 CMP 08 | Jan to Mar 2024 | 18/04/2024 |
| 5 GSTR 4(Annual Return under Composition scheme) | Apr 2023 to Mar 2024 | 30/04/2024 | |
| May-2024 | 1 GSTR 1 (Regular Taxpayers) | April 2024 | 11/05/2024 |
| | 2 GSTR 3B (Monthly Return) | April 2024 | 20/05/2024 |
| | 3 Monthly Tax Payment under QRMP Scheme(PMT 06) | April 2024 | 25/05/2024 |
| June-2024 | 1 GSTR 1 (Regular Taxpayers) | May 2024 | 11/06/2024 |
| | 2 GSTR 3B (Monthly Return) | May 2024 | 20/06/2024 |
| | 3 Monthly Tax Payment under QRMP Scheme(PMT 06) | May 2024 | 25/06/2024 |
| July-2024 | 1 GSTR 1 (Regular Taxpayers) | June 2024 | 11/07/2024 |
| | 2 GSTR 1 (Quarterly Taxpayers) | | 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 |
| 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 Scheme(PMT 06) | October 2024 | 25/11/2024 |
| December-2024 | 1 | GSTR 1 (Regular Taxpayers) | November 2024 | 11/12/2024 |
| | 2 | GSTR 3B (Monthly Return) | November 2024 | 20/12/2024 |
| | 3 | Monthly Tax Payment under ORMP Scheme(PMT 06) | November 2024 | 25/12/2024 |
| | 4 | GSTR-9(Annual Return) | FY 2023-24 | 31/12/2024 |
| January-2025 | 1 | GSTR 1 (Regular Taxpayers) | December 2024 | 11/01/2025 |
| | 2 | GSTR 1 (Quarterly Return) | Oct to Dec 2024 | 13/01/2025 |
| | 3 | GSTR 3B (Monthly Return) | December 2024 | 20/01/2025 |
| | 4 | GSTR 3B Quarterly Return) | Oct to Dec 2024 | 22/01/2025 |
| | 5 | CMP-08 | Oct to Dec 2024 | 18/01/2025 |
| February-2025 | 1 | GSTR 1 (Regular Taxpayers) | January 2025 | 11/02/2025 |
| | 2 | GSTR 3B (Monthly Return) | January 2025 | 20/02/2025 |
| | 3 | Monthly Tax Payment under QRMP Scheme(PMT 06) | January 2025 | 25/02/2025 |
| | 1 | GSTR 1 (Regular Taxpayers) | February 2025 | 11/03/2025 |

| | | | | |
|------------|---|------------------------------------------------|----------------------|------------|
| March-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 |
| | 1 | GSTR 1 (Regular Taxpayers) | March 2025 | 11/04/2025 |
| April-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 |
| 12 | 13 | 14 | 15 | 16 | 17 |
| 19 | 20 | 21 | 22 | 23 | 24 |
| 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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