

DAHOTRE & DAHOTRE
Chartered Accountants



Knowledge and Development Committee

Newsletter

Period of Update: 10th August 2025 to 16th August 2025
Period of Issue: 17th August 2025 to 23rd August 2025

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

Contents

01. [Short Updates](#)
02. [DRC forms in GST](#)
03. [Grandfathering provisions under Capital Gains](#)
04. [IFSCA](#)
05. [Statutory Due Dates](#)
06. [Amendment Summary](#)

Editor-in-Chief's Message

Hello readers!

Welcome to the **32**nd Newsletter Edition of 2025.

In this issue, we will discuss various DRC forms under GST, Grandfathering provision under Capital Gains, and IFSCA.

Vedant Potdar
Editor-in-chief

Team's Message

"None of us is as smart as all of us."

Tanaya Yeske
Knowledge Chairperson

Short Updates:

Direct Tax

- The Lok Sabha has approved and returned the Income-Tax (No. 2) Bill, 2025 and the Taxation Laws (Amendment) Bill, 2025. Once passed again by the Rajya Sabha and signed by the President, they will become law, marking a significant step in India's tax reform process. The bills, which replace the 1961 tax law and bring several taxpayer-friendly changes, incorporate most recommendations of the Select Committee.
- India's net direct tax collections between April and August 11 fell 4% to ₹6.64 lakh crore due to tax cuts, higher refunds, and an extended return filing deadline. Corporate tax rose slightly, but personal income tax dropped. Refunds jumped 10% to ₹1.35 lakh crore. Officials and economists expect collections to rise from September and meet the FY26 target of ₹25.2 lakh crore. Securities transaction tax collections grew 2.3% during this period.

RoC

- IEPFA Notice (31 July 2025)
Companies that earlier transferred amounts to IEPF (Investor Education and Protection Fund / Central Government) but filed details in non-Excel formats need to re-file details using "Form IEPF-1A" with the prescribed Excel template.
Deadline: 30 August 2025.
Reason: Past filings in wrong formats caused delays, short payments, and investor complaints.
Consequence of delay: Regulatory action under the Companies Act, 2013.

General

- The Reserve Bank of India (RBI) has announced a sweeping reform to the Cheque Truncation System (CTS). Starting October 4, 2025, cheques will be cleared within hours instead of up to two working days, transforming cheque processing into a real-time experience during business hours.

01 Indirect Tax

DRC forms in GST



Sarvesh Mahashabde

What Are DRC Forms in GST?

DRC (Demand and Recovery Certificate) forms are official documents used by GST authorities to:

- Communicate tax liabilities and disputes
- Facilitate voluntary payments
- Initiate recovery proceedings for unpaid taxes

They are governed under Sections 73 to 84 of the CGST Act, 2017, and are crucial in cases of:

- Short payment or non-payment of tax
- Wrong availment or utilization of Input Tax Credit (ITC)
- Tax collected but not paid

Demand Forms

DRC 01

Form DRC-01 is a Show Cause Notice (SCN) issued under Section 73 or 74 of the CGST Act. It's used by GST officers to inform a taxpayer about discrepancies such as:

- Underpayment or non-payment of tax
- Wrongful availment or utilization of Input Tax Credit (ITC)
- Erroneous refund claims

This form initiates the demand and recovery process

and gives the taxpayer a chance to respond before further action is taken.

Section 73: For cases without fraud or willful misstatement

Section 74: For cases involving fraud or suppression of facts

DRC 02

Form GST DRC-02 is a summary of a statement issued under Section 73(3) or 74(3) of the CGST Act. It's used when the tax authorities want to extend the scope of an existing Show Cause Notice (SCN) — typically issued via DRC-01 — to additional tax periods or similar grounds.

- It's not a fresh SCN, but a supplementary statement
- It helps maintain transparency and electronic traceability
- Issued electronically as per Rule 142(1)(b) of the CGST Rules

When Is DRC-02 Issued?

- After a DRC-01 notice has already been served
- When the officer identifies similar discrepancies for other periods
- To summarize the extended demand without issuing a new SCN

DRC 03

Form DRC-03 is used for voluntary payment of tax, interest, or penalty under GST. Taxpayers can file it:

- Before receiving a Show Cause Notice (SCN) under Section 73 or 74
- Within 30 days of receiving an SCN, to avoid further proceedings
- After discovering discrepancies during audits, investigations, or annual return reconciliation

It's a proactive way to settle dues and stay compliant with GST laws.

DRC 04

Form DRC-04 is an acknowledgment issued by the GST officer confirming the acceptance of a voluntary payment made by a taxpayer through Form DRC-03.

- Issued only after verification of the payment
- Helps avoid further proceedings like adjudication or penalties
- Applies to payments made before or after a Show Cause Notice (SCN)

DRC 05

Form DRC-05 is an intimation of conclusion of proceedings issued by a GST officer. It confirms that the taxpayer has:

- Paid the full amount of tax, interest, and penalty as demanded in the Show Cause Notice (SCN)
- Complied with the requirements under Section 73 or 74 of the CGST Act

Once DRC-05 is issued, the demand and recovery proceedings are officially closed, and no further action is taken for that case.

DRC 06

Form DRC-06 is used by a taxpayer to reply to a Show Cause Notice (SCN) issued under Section 73 or 74 of the CGST Act. It allows the taxpayer to present their defence, submit explanations, and upload supporting documents to contest the allegations made in DRC-01 or DRC-02.

1. Filed electronically via the GST portal
2. Helps avoid penalties and escalation
3. Can include a request for personal hearing.

DRC 07

Form DRC-07 is a digitally generated summary of an adjudication order issued by a GST officer under Section 73 or 74 of the CGST Act. It formally communicates the final tax liability of a taxpayer after the completion of the Show Cause Notice (SCN) process.

- It's a demand notice
- Used to initiate recovery proceedings

Uploaded electronically to GST Portal

DRC 08

Form DRC-08 is a summary of a rectification or withdrawal order issued by the GST officer under Rule 142(7) of the CGST Rules. It is used when:

- A previously issued adjudication order (e.g., DRC-07) needs to be rectified due to an error
- The order is withdrawn entirely
- The officer modifies the demand based on new facts or legal interpretation.

When Is DRC-08 Issued?

- After the officer identifies an error in a previously issued order (e.g., wrong tax rate, incorrect turnover)
- When a taxpayer applies for rectification and it is accepted
- If the department decides to withdraw an order (e.g., due to procedural lapses)

Recovery Forms

DRC 09

Form GST DRC-09 is an order for recovery through a specified officer under Section 79(1)(a) of the CGST Act. It is issued when a taxpayer fails to pay GST dues even after receiving a demand notice (such as DRC-07).

When is DRC 09 issued?

After the taxpayer fails to pay dues within the time specified in DRC 07.

DRC 10

What Is DRC-10?

Form DRC-10 is a Notice for Auction of Goods or Conveyance issued under:

- Section 79(1)(b) – for recovery of government dues
- Section 129(6) – for disposal of detained or seized goods

It is used when a taxpayer fails to pay outstanding GST dues, and the tax authorities decide to recover the amount by auctioning attached or distrained goods.

What Should Taxpayers Do?

- Pay the dues immediately to stop the auction
- File a reply or appeal if the auction is unjustified

- Contact the officer to negotiate payment terms
- If auction proceeds, monitor the process to ensure fairness

DRC 11

What Is DRC-11?

Form DRC-11 is a notice issued to the successful bidder in a GST auction. It is part of the recovery process under Section 79(1)(b) or Section 129(6) of the CGST Act, and it instructs the bidder to:

- Pay the bid amount within 15 days
- Claim the confiscated goods or conveyance
- Complete the transfer process initiated through DRC-10 (auction notice)

What Happens After DRC-11?

The bidder pays the amount

The officer issues DRC-12 (Sale Certificate)

Ownership of goods is transferred

Recovery amount is adjusted against taxpayer's dues

DRC 12

Purpose of DRC-12

- Legal proof of sale under GST recovery proceedings
- Final step after DRC-10 (auction notice) and DRC-11 (payment notice)
- Ensures transparency and compliance in asset recovery

DRC 13

Form DRC-13 is a notice issued to a third party under Section 79(1)(c) of the CGST Act. It directs the third party—such as a debtor or someone holding funds on behalf of a defaulting taxpayer—to pay the outstanding GST dues directly to the government, bypassing the defaulter.

Purpose of DRC 13

Enables indirect recovery of dues when direct recovery from the taxpayer isn't feasible

- Targets third parties who owe money to or hold funds for the defaulter
- Ensures efficient enforcement of tax recovery provisions.

DRC 14

Form DRC-14 is a Certificate of Payment to a Third Person. It is issued by the GST officer to confirm that a third party—who received a DRC-13 notice—has paid the specified amount toward the defaulter's GST dues. This certificate legally discharges the third party from any further liability to the defaulter for that amount

Questions

1. What is the meaning of DRC?
2. Which DRC is the acknowledgement issued by GST officer confirming the Voluntary Payment made by taxpayer?
3. What should a taxpayer do in case of DRC 10?

Read next: Grandfathering provisions under Capital Gains

02 Direct Tax

Grandfathering provisions under Capital Gains



Prasad Bhasme

Introduction

The Grandfathering Provision was introduced in India during the Union Budget 2018. It was aimed at protecting investors from sudden taxation on past gains when the government reintroduced Long-Term Capital Gains (LTCG) tax on equity shares and equity-oriented mutual funds.

Why Was It Introduced?

Before 1 April 2018, LTCG on listed equity shares and equity mutual funds was exempt under Section 10(38) of the Income Tax Act. With the new 10% LTCG tax under Section 112A, the provision was created to ensure gains made up to 31 January 2018 remained tax-free.

Effective Date

The Grandfathering Provision applies to the computation of LTCG on equity shares, units of equity-oriented mutual funds, and units of business trusts sold on or after 1 April 2018.

Background Before 2018

From 2004 to 2018, gains from selling listed equity shares and equity-oriented mutual funds after holding them for more than 12 months were fully exempt from tax under Section 10(38). This exemption encouraged long-term investments in the stock market.

Provision

The gains accruing as on 31 January 2018 have been grandfathered. This is done by introducing a deeming provision in the law whereby cost of acquisition of the security would be considered to be higher of the actual cost or the fair market value of the security on 31 January 2018. However, to avoid an arbitrary loss situation, if the actual sale consideration is lower than the fair market value as on 31 January 2018, the cost of acquisition would be either the actual sale consideration or actual cost, whichever is higher.

Questions

Particulars	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Actual cost of acquisition (Purchase on 1 Jan 2017)	100	100	100	100
Fair market value on 31 Jan 2018	200	50	200	200
Actual sale consideration (Sale on 1 Apr 2018)	250	150	50	150
Taxable CG				

Read next: IFSCA

03 General IFSCA



Bharat Sharma

Introduction

The International Financial Services Centres Authority (IFSCA) is a statutory regulatory body established under the IFSCA Act, 2019 to develop and regulate financial services, products, and institutions in International Financial Services Centres (IFSCs) in India.

- **Established:** April 27, 2020, under the IFSCA Act, 2019.
- **Purpose:** To regulate and develop financial services, products, and institutions in International Financial Services Centres (IFSCs) in India.
- **Headquarters:** GIFT City, Gandhinagar, Gujarat

Objectives and Functions

- Unified Regulator:** Acts as a single-window authority for all financial activities in IFSCs, covering banking, insurance, securities, and fund management.
- Global Financial Hub:** Aims to position India as a globally competitive financial center.
- Innovation Focus:** Encourages fintech, insurtech, and tech-driven financial services.
- Regulatory Oversight:** Ensures compliance with international standards and investor protection.
- Ease of Doing Business:** Simplifies licensing and compliance to attract global players.

Governance Structure

- **Total Members:** 9, appointed by the Central Government
- **Includes:** Chairperson, Member (Finance), and other full-time/part-time members
- **Term:** 3 years, renewable
- **Headquarters:** GIFT City, Gandhinagar, Gujarat

Powers and Responsibilities

1. Regulatory Functions

- IFSCA serves as the unified regulator for all financial services in IFSCs, replacing multiple domestic regulators like RBI, SEBI, IRDAI, and PFRDA.
- Regulates financial products and services in banking, insurance, securities, and fund management.
- Issues guidelines, rules, and standards for entities operating in IFSCs.
- Ensures investor protection and market integrity.
- Approves new financial instruments and cross-border products.

2. Developmental Functions

- IFSCA plays a proactive role in developing and expanding the financial ecosystem within IFSCs.
- Promotes innovation in fintech, insurtech, and green finance.
- Facilitates market access for global financial institutions.
- Encourages the launch of new financial products and services.
- Supports infrastructure development and ecosystem growth.

3. Supervisory Functions

- IFSCA ensures ongoing compliance and monitoring of entities operating in IFSCs.
- Conducts onsite and offsite inspections.
- Monitors adherence to AML (Anti-Money Laundering) and CFT (Countering the Financing of Terrorism) regulations.
- Implements SupTech (Supervisory Technology) for efficient oversight.

- Reviews operational and financial integrity of regulated entities.

4. Adjudicatory Functions

- IFSCA is empowered to resolve disputes and enforce compliance within IFSCs.
- Adjudicates complaints and financial disputes.
- Ensures fair and transparent resolution mechanisms.
- Enhances trust and confidence in the IFSC financial system.

5. Global Alignment & Collaboration

- IFSCA works to align India's IFSCs with international standards.
- Collaborates with global regulatory bodies.
- Promotes transparency, innovation, and stability.
- Encourages cross-border financial flows and partnerships.

Recent Developments (2025)

AML/CFT/KYC Updates: New guidelines effective June 5, 2025, aligned with India's anti-money laundering laws.

Fund Management Reforms:

- a) Angel Schemes and Sovereign Wealth Fund exemptions.
- b) 100% NRI/OCI contributions allowed.
- c) Over USD 22 billion committed in IFSC-based funds.

Tax Incentives:

- Proposal to extend tax holiday from 10 to 25 years.
- Concessional tax regime for overseas professionals relocating to GIFT City.

Green Finance Push:

- Lowering investment thresholds for sustainability-linked AIFs.

Governance Update:

- Solomon Arokiaraj appointed as ex-officio board member.

Global Collaboration:

- Works with international regulators to align with global standards.
- Promotes cybersecurity, resilience, and innovation in financial infrastructure.

Learnings

1. IFSCA = Unified regulator for financial services in India's IFSCs (mainly GIFT City).
2. Established under the IFSCA Act, 2019 to streamline cross-border finance.
3. Regulates banking, insurance, capital markets, asset management, fintech, and more.
4. Promotes ease of doing business, innovation, and global competitiveness.
5. Issues master circulars, guidelines, and consultation papers for regulated entities.
6. Operates independently of SEBI, RBI, IRDAI, and PFRDA within IFSC jurisdiction.
7. Focused on making GIFT City a global financial hub.

Questions

1. What is IFSCA?
2. Where are the headquarters of IFSCA situated?

Read next: Wall of Wisdom

WALL OF WISDOM (WOW):

- "Be the light that turns someone's night into morning."
- "Happiness multiplies when you share it."

Read next: Do you know?

DO YOU KNOW?

1. Do you know a 20-minute walk can improve your mood for up to 12 hours.?
2. Do you know earthworms have five Hearts?

What else do You Know?

Let us know.

Read next: Motivational Quote.

MOTIVATIONAL QUOTE:

"Good and bad are two sides of the same coin. What matters is which side you choose to see."

— Amish Tripathi

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 the CA club India.

Contact Details-

Offices 3,4,9,11 Gaurav Building, Opp. Karishma Society Gate No. 2, Kothrud, Pune – 411038.
Phone: +91 20-67426111
Email – knd@dahotreanddahotre.com

Read next: Statutory Due Date.

Best Newsletter Presenters of 2025

Month's	Best Presenters
January	Vedika Pawale

February	Sakshi Pawar
March	Sakshi Pawar
April	Aditya Kanade
May	Sakshi Pawar

Upcoming Newsletters

1. Returns u/s 139 of ITA, 1961
2. Invoice Management System (IMS) under GST
3. Indian Chamber of Commerce vs. DCIT – Charitable Status

DLC Asset Updation

Section	Name of Asset
Audit	Guidance Notes on Cash and Cash Equivalent
Audit	Guidance Notes on Employee Benefit Expenses
Audit	Guidance Notes on Income
Audit	Guidance Notes on Inventory
Audit	Guidance Notes on Investments
Audit	Guidance Notes on Loans and Advances
Audit	Guidance Notes on Other Assets
Audit	Guidance Notes on Other Expenses
Audit	Guidance Notes on PPE
Audit	Guidance Notes on Purchase
Audit	Guidance Notes on Trade Receivables
Audit	Independence Confirmation- Review Partner
Audit	Independence Confirmation- Engagement Partner
Direct Tax	ITR Engagement Letter
Audit	Networth Certificate

Statutory Due Dates Calendar

INCOME TAX

Due Dates in the Month of	Particulars	For the Period	Due Date
April-2025	1 TDS/TCS Payment	March 2025	TDS 30/04/2025 and TCS 07/04/2025
May-2025	1 TDS/TCS Payment	April 2025	07/05/2025
	2 TDS Statement for Form 24Q, 26Q and 27Q	Q4 FY 2025-26	31/05/2025
	3 TCS Statement– for Form 26QB, 26QC, 26QD	Q4 FY 2025-26	15/05/2025
	4 Statement of Financial Transactions (SFT) Compliance	FY 2024-25	31/05/2025
June-2025	1 TDS/TCS Payment	May 2025	07/06/2025
	2 Advance Tax	1st Instalment of FY 2025-26	15/06/2025
	3 Form 16/ 16A	Q4 FY 2024-25	15/06/2025
July-2025	1 TDS/TCS Payment	June 2025	07/07/2025
	2 TDS Statement for Form 24Q	Q1 FY 2025-26	31/07/2025
	3 TCS Statement– for Form 26QB, 26QC, 26Q	Q1 FY 2025-26	15/07/2025
August-2025	1 TDS/TCS Payment	July 2025	07/08/2025
September-2025	1 TDS/TCS Payment	August 2025	07/09/2025
	2 Advance Tax	2 nd Instalment FY 2025-26	15/09/2025
	3 Due date for filing of audit report under Section 44AB for AY 2025-26 in the case of a corporate- assessee or non-corporate assessee (who is required to submit their/its return of income on October 31, 2025)	FY 2024-25	30/09/2025
	4 TDS Statement for Form 26Q and 27Q	Q1 FY 2025-26	30/09/2025
	4 Income tax Return for A.Y. 2024-25 for all assesses other than : (a) Assessee whose accounts are required to be audited (b) Partner of a firm whose accounts are required to	FY 2025-26	15/09/2025

be audited

(c) An assessee who is required to furnish a report under Section 92E.

October-2025	1	TDS/TCS Payment	September 2025	07/10/2025
	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 2024-25	31/10/2025
	3	TDS Statement for Form 24Q, 26Q and 27Q	Q2 FY 2025-26	31/10/2025
	4	TCS Statement– for Form 26QB, 26QC, 26QD	Q2 FY 2025-26	15/10/2025
November-2025	1	TDS/TCS Payment	October 2025	07/11/2025
December-2025	1	TDS/TCS Payment	November 2025	07/12/2025
	2	Advance Tax	3 rd Installment FY 2025-26	15/12/2025
	3	Filing of belated/revised return of income for the assessment year 2024-25 for all assessee.	FY 2024-25	31/12/2025
January-2026	1	TDS/TCS Payment	December 2025	07/01/2026
	2	TDS Statement for Form 24Q, 26Q and 27Q	Q3 FY 2025-26	31/01/2026
	3	TCS Statement– for Form 26QB, 26QC, 26QD	Q3 FY 2025-26	15/01/2026
February-2026	1	TDS/TCS Payment	January 2026	07/02/2026
March-2026	1	Advance Tax	4th Instalment of FY 2025-26	15/03/2026
	2	TDS/TCS Payment	February 2026	07/03/2026

GOODS AND SERVICES TAX ACT

Due Dates in the Month of	Particulars	For the Period	Due Date
April-2025	1 GSTR 1 (Regular Taxpayers)	March 2025	11/04/2025
	2 GSTR 1 (Quarterly Taxpayers)	March 2025	13/04/2025
	3 GSTR 3B (Monthly Return)	March 2025	20/04/2025
	3 GSTR 3B (Quarterly Return)	Jan to Mar 2025	22/04/2025
	4 CMP 08	Jan to Mar 2025	18/04/2025
5 GSTR 4(Annual Return under Composition scheme)	Apr 2024 to Mar 2025	30/04/2025	
May-2025	1 GSTR 1 (Regular Taxpayers)	April 2025	11/05/2025
	2 GSTR 3B (Monthly Return)	April 2025	20/05/2025
	3 Monthly Tax Payment under QRMP Scheme(PMT 06)	April 2025	25/05/2025
June-2025	1 GSTR 1 (Regular Taxpayers)	May 2025	11/06/2025
	2 GSTR 3B (Monthly Return)	May 2025	20/06/2025
	3 Monthly Tax Payment under QRMP Scheme(PMT 06)	May 2025	25/06/2025
July-2025	1 GSTR 1 (Regular Taxpayers)	June 2025	11/07/2025
	2 GSTR 1 (Quarterly Taxpayers)	Apr to June 2025	13/07/2025
	3 GSTR 3B (Monthly Return)	June 2025	20/07/2025
	4 GSTR 3B Quarterly Return)	June 2025	22/07/2025
	5 CMP-08	Apr to June 2025	18/07/2025
1 GSTR 1 (Regular Taxpayers)	July 2025	11/08/2025	
2 GSTR 3B (Monthly Return)	July 2025	20/08/2025	

August-2025	3	Monthly Tax Payment under QRMP Scheme(PMT 06)	July 2025	25/08/2025
	1	GSTR 1 (Regular Taxpayers)	August 2025	11/09/2025
September-2025	2	GSTR 3B (Monthly Return)	August 2025	20/09/2025
	3	Monthly Tax Payment under QRMP Scheme(PMT 06)	August 2025	25/09/2025
October-2025	1	GSTR 1 (Regular Taxpayers)	September 2025	11/10/2025
	2	GSTR 1 (Quarterly Taxpayers)	July to Sept 2025	13/10/2025
	3	GSTR 3B (Monthly Return)	September 2025	20/10/2025
	4	GSTR 3B (Quarterly Return)	July to Sept 2025	22/10/2025
	5	CMP-08	July to Sept 2025	18/10/2025
November-2025	1	GSTR 1 (Regular Taxpayers)	October 2025	11/11/2025
	2	GSTR 3B (Monthly Return)	October 2025	20/11/2025
	3	Monthly Tax Payment under ORMP Scheme(PMT 06)	October 2025	25/11/2025
December-2025	1	GSTR 1 (Regular Taxpayers)	November 2025	11/12/2025
	2	GSTR 3B (Monthly Return)	November 2025	20/12/2025
	3	Monthly Tax Payment under ORMP Scheme(PMT 06)	November 2025	25/12/2025
	4	GSTR-9(Annual Return)	FY 2024-25	31/12/2025
January-2026	1	GSTR 1 (Regular Taxpayers)	December 2025	11/01/2026
	2	GSTR 1 (Quarterly Return)	Oct to Dec 2025	13/01/2026
	3	GSTR 3B (Monthly Return)	December 2025	20/01/2026
	4	GSTR 3B Quarterly Return)	Oct to Dec 2025	22/01/2026
	5	CMP-08	Oct to Dec 2025	18/01/2026
February-2026	1	GSTR 1 (Regular Taxpayers)	January 2026	11/02/2026
	2	GSTR 3B (Monthly Return)	January 2026	20/02/2026
	3	Monthly Tax Payment under QRMP Scheme(PMT 06)	January 2026	25/02/2026

March-2026	1	GSTR 1 (Regular Taxpayers)	February 2026	11/03/2026
	2	GSTR 3B (Monthly Return)	February 2026	20/03/2026
	3	Monthly Tax Payment under QRMP Scheme(PMT 06)	February 2026	25/03/2026
April-2026	1	GSTR 1 (Regular Taxpayers)	March 2026	11/04/2026
	2	GSTR 1 (Quarterly Return)	Jan to Mar 2026	13/04/2026
	3	GSTR 3B (Monthly Return)	March 2026	20/04/2026
	4	GSTR 3B Quarterly Return)	Jan to Mar 2026	22/04/2026
	5	CMP-08	Jan to Mar 2026	18/04/2026
	6	GSTR 4(Annual Return under Composition scheme)	Apr 2025 to Mar 2026	30-04-2026

COMPANIES ACT

Due Dates in the Month of	Particulars	Description	Due Date
April-2025	Form MSME (outstanding payments to MSMEs)	The return is to be filed by any company that gets 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 2025 (For the period of October'23 – March '24)
May-2025	LLP FORM-11	Annual Return (to be filed by all LLPs irrespective of turnover)	30 th May 2025
June-2025	DPT-3	To be filed in case the company has a deposit or an exempted deposit.	30th June 2025
September-2025	DIR-3 KYC	Form for Director KYC. Need to be filed mandatorily for every director on the Board	30 th September 2025
October-2025	ADT-1	Form for Auditor Appointment	15 th October 2025
	AOC-4	Form for filing Financials, Auditors Report, Directors Report, etc.	30 th October 2025
	Form MSME (outstanding payments to MSMEs)	The return is to be filed by any company that gets 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 2025 (For the period of April'24 – September'24)
November-2025	MGT-7	ROC Annual Return (Details of Shareholding, etc.)	29 th November 2025
Event Based	CHG FORMS	Form for charge creation, modification, and 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-2025	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)	30/06/2025
		A person who is enrolled after the 31st May of a year	Within one month of the date of enrolment
		The person who is enrolled and the rate of tax at which he is liable to pay tax are revised.	Within one month of the date of such revision
March-2026	PTRC	Yearly - Tax Liability is less than INR 1,00,000/-	31/03/2025
		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 2025	1 Monthly Return (VAT payment)	March 2025	21/04/2025
	2 Quarterly Return (VAT payment)	January 2025 to March 2026	21/04/2025
May 2025	1 Monthly Return (VAT payment)	April 2025	21/05/2025
June 2025	1 Monthly Return (VAT payment)	May 2025	21/06/2025
July 2025	1 Monthly Return (VAT payment)	June 2025	21/07/2025
	2 Quarterly Return (VAT payment)	April 2025 to June 2026	21/07/2025
August 2025	1 Monthly Return (VAT payment)	July 2025	21/08/2025
September 2025	1 Monthly Return (VAT payment)	August 2025	21/09/2025
	1 Monthly Return (VAT payment)	September 2025	21/10/2025
October 2025	2 Quarterly Return (VAT payment)	July 2025 to September 2025	21/10/2025
	1 Monthly Return (VAT payment)	October 2025	21/11/2025
December 2025	1 Monthly Return (VAT payment)	November 2025	21/12/2025
	1 Monthly Return (VAT payment)	December 2025	21/01/2026
January 2026	2 VAT Audit (Form 704)	F.Y. 2024-2025	15/01/2026
	3 Quarterly Return (VAT payment)	October 2025 to December 2025	21/01/2026
February 2026	1 Monthly Return (VAT payment)	January 2026	21/02/2026
March 2026	1 Monthly Return (VAT payment)	February 2026	21/03/2026

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 for 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 a return has not been filed and income exceeds the basic exemption limit, a penalty at 50% of the 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 the 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 the value of the International transaction
	2. In case the assessee is a person who has entered into an 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 the 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 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 an audit report, or furnish a report of such auditor, a penalty will be leviable at 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 the 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 the 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 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 a 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 such loan/deposit.
	2. If an amount of INR 2,00,000 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 a 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 INR 10,000	INR 10000/-
	2. Failure to apply/quote a TAN/ quoting a false TAN shall attract a penalty of INR10,000	
	In case of the following defaults, INR 10,000 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 a total income of up to INR 5 lakh.	INR 1000/-

Read next: Amendment Summary

Amendment Summary

July 2025						
MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
	1 Direct Tax	2	3	4	5	6
7 Audit/ ICAI	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31 Indirect Tax			

Sr. No.	Date	Area of Knowledge (AOK)	Notification/ Circular/ Press Release	Short Description
1	1 st July	Direct Tax	Notification No. 70/2025 (CII for FY 202526).	Cost Inflation Index (CII) set at 376 (up from 363), used for computing indexed capital gains.
2	7 th July	Audit/ICAI	ICAI press note (via ET)	ICAI limits tax audits per partner to 60 annually, effective April 2026 Penal action will follow for CAs flouting new tax audit limit rules (60audit cap)
3	Jul 2025	Indirect Tax	Circular No. 249/06/2025 (GST Portal Advisory)	No DIN required for portal communications; Reference (RFN) sufficient under Section 169
4	Jul 2025	Indirect Tax	GSTN Advisory & ManikaTaxWise / CMAKnowledge	EWay Bill 2.0 rollout from 1 July (Aldriven QR validation); simplified returns pilots in Maharashtra & Tamil Nadu; composition dealers < ₹2 cr turnover exempt from GSTR9
5	31 st July	Indirect Tax	News releases reported via CAKSA	Multiple legal clarifications: e.g. GST exemption on apartment maintenance charges for small societies (< ₹7,500), HC rulings on refunds, IGST applicability, etc. (dates 23–31 July)

Rectifications in the previous Newsletter:

No Rectifications pertaining to the previous Newsletter(s).

Copyright Disclaimer:

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

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

Contact us [here](#)