

DAHOTRE & DAHOTRE
Chartered Accountants



Knowledge and Development Committee

Newsletter

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Editor-in-Chief's Message

Hello readers!

Welcome to the **48th** Newsletter Edition of 2025.

In this Issue, We will discuss what is better: debt or equity, what window dressing is and how to detect it, and the different methods of business valuation.

Vedant Potdar
Editor-in-chief

Team's Message

"Small progress every day adds up to big results."

Tanaya Yeske
Knowledge Chairperson

Short Updates

ICAI

- The Institute of Chartered Accountants of India (ICAI) announced that the Income-tax Act, 2025, which received presidential assent on 21st August 2025 and becomes effective from 1st April 2026, will be applicable for the tax year 2026-27. Consequently, CA students will be examined on the provisions of this Act in their May 2027 examinations onwards. Specifically, the updated Income-tax provisions will be relevant for Intermediate Paper 3A: Income-tax Law and Final Paper 4: Direct Tax Laws & International Taxation. Additionally, for self-paced online modules, Module Set C – Paper 5: International Taxation will also reflect the new Act for exams conducted from 1st May 2027 onwards.

Direct Tax

The Income Tax Department has announced several significant updates that will impact taxpayers and deductors, effective from 1st December 2025. The

details are as follows:

A. New TDS Alert System

Real-time alerts will be sent to deductors for mistakes such as:

- Incorrect PAN
- Wrong section
- TDS rate mismatch
- Wrong mapping

This will help deductors correct errors and avoid penalties.

B. New AIS Matching Rules

- If there's a mismatch of 10% or more in AIS/26AS, the system will automatically send an alert.
- Taxpayers should reconcile their AIS before filing ITR to avoid issues.

C. Higher Penalty for Late ITR Filing

- Penalty for late filing has increased to ₹7,500 for individuals with income above ₹5 lakh.
- Ensure timely filing to avoid penalties and interest.

01 General

Debt vs Equity — Which Is Better for Business Expansion?



Sairaj Thombare

Introduction

Whether a company is opening new locations, entering new markets, or scaling production, choosing the right financing method is crucial. Businesses typically rely on debt or equity to fuel expansion—but each option carries different costs, risks, and long-term implications. Understanding when debt is beneficial and when equity is more suitable helps companies expand effectively while maintaining financial health.

What Is Debt?

Debt is borrowed money that the company must pay back over time with interest.

Examples include bank loans, bonds, or credit lines.

Key points:

Must be repaid.

Lenders do not get ownership in the business.

Cheaper but riskier if cash flow is unstable.

What Is Equity?

Equity is money raised by selling part of the company to investors.

Examples include selling shares or bringing in venture capital.

Key points:

- No repayment required.
- Investors become part owners.
- More expensive but lower financial risk.

When Is Debt Better for Expansion?

Debt is usually better when a company is financially stable and expansion will generate money soon.

Advantages

- No ownership loss
- Cheaper financing due to tax deductions
- Works well when expansion has predictable results

Best For

- Opening new branches
- Buying equipment
- Scaling a proven business model

Real-Life Examples

○ Apple

Apple regularly uses debt (even though it has large cash reserves) because interest rates are low and debt is cheaper than issuing shares. Apple uses this approach for expansion and share buybacks.

When Is Equity Better for Expansion?

Equity is ideal for risky, innovative, or long-term expansions where immediate cash flow is uncertain.

Advantages

No pressure of repayment

Investors may provide expertise and connections

Reduces financial stress on the company

Best For

- Entering new or unfamiliar markets
- Tech or research-heavy expansion
- Young companies without stable revenue

Real-Life Examples

○ Uber

Uber used venture capital (equity) to expand into global markets. Since the business was losing money initially, equity was safer than taking on debt.

So, Which Is Better for Expansion?

Choose Debt When:

- The business has strong, stable cash flow
- Expansion returns are predictable
- Ownership control is important
- Borrowing costs are low

Choose Equity When:

- Expansion is uncertain or high-risk
- Cash flow is unstable
- The company is young or already highly leveraged
- Strategic investors can help beyond money

The Smart Approach: Using a Mix of Debt and Equity for Expansion

Most successful businesses don't rely only on debt or only on equity.

Instead, they use a balanced mix of both, known as a hybrid financing strategy.

This approach combines the strengths of each option while reducing their weaknesses.

What Does a Hybrid (Smart) Approach Mean?

A hybrid approach means a company uses:

- Debt for projects that are lower risk, predictable, and generate cash quickly.
- Equity for projects that are long-term, uncertain, or need strategic support from investors.

This balance helps companies expand efficiently without taking on too much risk.

Questions

1. In what situations is debt more advantageous than equity for expansion?
2. When does issuing equity protect a business from financial strain?

Read next: What is window dressing, and how to detect it.

02 Audit

What is window dressing, and how to detect it



Vanshikha Singh

Introduction

Window dressing is a common practice employed by companies to enhance the appearance of their financial statements. It's a strategic movement often executed near the end of a reporting period, with the primary goal of presenting a more positive image of the company's financial health to investors, stakeholders, and the public. This can involve various tactics aimed at improving key financial metrics and indicators.

Some common methods used in window dressing.

- Selling underperforming assets to show a profit.
- Buying more profitable assets to boost the overall portfolio value.
- Accelerating revenue recognition.
- Delaying expense recognition.
- Using accounting loopholes to make financial ratios look better

Why is it important for investors to be aware of window dressing

It's important for investors to be aware of window dressing because it can create a misleading impression of a company's financial health. Investors who are not aware of window dressing may make

investment decisions based on inflated or distorted financial information.

Audit procedure can be used to identify window dressing.

- a. Reviewing transactions near the period-end
- b. Analysing financial ratios
- c. Examining related-party transactions, confirming assets, and assessing accounting estimates
- d. Performing analytical procedures

How Auditors Detect It

- Trend & Ratio Analysis
- Cash Flow vs. Profit
- Cut-off Testing
- Notes & Disclosures Review
- Expense Timing

Case study

The Satyam Computer Services scandal is a classic case study in corporate fraud and "window dressing". The case study revolves around how B. Ramalinga Raju, the founder and chairman, masterminded a long-running scheme (from 2003 to 2009) to manipulate the company's financial statements and inflate its assets, revenue, and profits.

- Deceive stakeholders
- Personal enrichment and other motives
- Evade scrutiny

Key Takeaways

The Satyam case, often referred to as "India's Enron," serves as a major case study highlighting significant failures in corporate governance, auditing standards, and ethical leadership. The scandal led to major reforms in Indian corporate law and prompted a stronger emphasis on transparency, accountability, and the independent role of auditors.

Questions

1. What is the main goal of window dressing ?
2. When do companies typically engage in window dressing ?
3. What audit procedures can be used to identify window dressing ?

Read next: Understanding Methods of Business Valuation.

03 General

Understanding Methods Of Business Valuation



Bhavna Chitte

Introduction

Methods of Business Valuation — an important concept used by investors, buyers, sellers, and financial analysts to determine the economic worth of a business.

Valuation helps in mergers and acquisitions, fundraising, taxation, and strategic planning.

Why is Business Valuation Important?

- Helps determine the fair price of a company.
- Guides investment decisions.
- Useful for buying or selling a business.
- Needed for bank loans, tax reporting, and partnership settlements.

Main Methods of Business Valuation

A. Asset-Based Methods

These methods value the company based on what it owns.

1. Book Value Method

Based on the assets minus liabilities as recorded in the balance sheet.

Simple but ignores market value.

2. Adjusted Net Asset Value

Assets and liabilities are adjusted to current market value.

Useful for asset-heavy businesses like manufacturing or real estate.

B. Income-Based Methods

These methods value a business based on its ability to generate profit.

1. Discounted Cash Flow (DCF)

Estimates future cash flows and discounts them to present value.

- Most scientific and widely used.
- Best for stable and predictable companies.

2. Capitalisation of Earnings

Uses one year's expected earnings and a capitalisation rate.

- Suitable for businesses with stable profits.

C. Market-Based Methods

These methods compare the business with similar companies.

1. Comparable Company Method

Uses valuation multiples like P/E ratio or EV/EBITDA of similar listed companies.

2. Precedent Transaction Method

Based on prices paid for similar companies recently acquired.

- Useful during M&A deals.

D. Multiple-Based Methods

1. EBITDA Multiple

2. Value = EBITDA × Industry multiple.

- Common in SME and private company valuation.

2. Revenue Multiple

Used when profits are low or unpredictable, such as startups and tech companies.

E. Liquidation Value

Value obtained if the business is shut down and assets are sold quickly.

- Used when the company is distressed.

Conclusion

To summarise, business valuation can be done using:
Asset-based methods

- Income-based methods

- Market-based methods
- Multiple-based methods
- Liquidation value

Each method has its own strengths, and the right approach depends on the industry, financial health, and purpose of valuation.

Accurate valuation helps in making informed business and investment decisions.

Questions

1. Was the asset valuation based on a “going concern” basis or a “liquidation basis”?
2. What is the purpose of business valuation?

Read next: Wall of wisdom.

WALL OF WISDOM (WOW):

- "One positive thought can shift an entire day."
- "Good things come to those who keep going even when it's tough."

Read next: Do you know?

DO YOU KNOW?

1. Do you know an ant can survive falling from any height?
2. Do you know that chess (chaturanga) was invented in ancient India?

What else do You Know?
Let us know.

Read next: Motivational Quote.

MOTIVATIONAL QUOTE:

"Every new morning is a chance to rewrite your story with greater courage."

— Tanvi Deshpande

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.

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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 Newsletter

1. Materiality under Audit
2. Foreign Contribution Regulation Act: Overview and Compliance
3. New Labour Codes 2025

DLC Updates

Section	Name of Asset
Indirect Tax	GST Summary Sheet GSTR-9 and GSTR-9C
Audit	GST Summary Sheet GSTR-9 and GSTR-9C
Audit	Workings for Networth
Audit	Workings for Fund Utilization
Audit	Audit Plan
Audit	Audit Plan
Common Asset	New Client Addition Format
Direct Taxation	Income Tax Notice Study Area Format

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	31/10/2025
	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 the 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	No November 2025	07/12/2025
	2	Advance Tax	3rd 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)		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	A 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 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
October 2025	1 Monthly Return (VAT payment)	September 2025	21/10/2025
	2 Quarterly Return (VAT payment)	July 2025 to September 2025	21/10/2025
November 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
	2 VAT Audit (Form 704)	F.Y. 2024-2025	15/01/2026
January 2026	3 Quarterly Return (VAT payment)	October 2025 to December 2025	21/01/2026
	1 Monthly Return (VAT payment)	January 2026	21/02/2026
February 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 of 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 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 the assessee pays tax and interest and files a return, a penalty @ 30% of such undisclosed income is payable.	30% OR 60%
	2. In all other cases, the 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 the 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 in part	1% per month
	5. Non-payment of TDS (after deduction), either in whole or in part	1.5% per month
8. Penalty for using modes other than Account payee cheque/ draft/ ECS	6. Failure to furnish information/ furnishing inaccurate information related to TDS deduction regarding Non-residents shall attract a penalty of 100,000	INR 100000/-
	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

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

Sr. No.	Date	Area of Knowledge (AOK)	Notification/ Circular/ Press Release	Short Description
1	1 st Nov, 2025	Indirect Tax	CBIC Notifications Nos. 44/2025, 45/2025, 18/2025	Consolidated Customs notifications & aligned GST rate notifications (effective 1 Nov 2025).
2	3 rd Nov, 2025	Accounting	MCA Amendment – Rule 11(2) of Companies (Meetings of Board and its Powers) Rules, 2014	Clarified scope of “business of financing industrial enterprises” under Sec. 186(11)(a).
3	12 th Nov, 2025	Direct Tax	Income-tax Rule amendment (Order u/s 35(1)(ia)), Notification No. 4/2025	Updates under Sec. 35(1)(ia) & Rule 5F for R&D expenditure deductions.
4	18 th Nov, 2025	Audit	SEBI (LODR) (Fifth Amendment) Regulations, 2025	Revised definitions for directors/KMPs, materiality thresholds for RPTs, stricter audit committee norms.
5	19 th Nov, 2025	Direct Tax	Notification No. 161/2025 & 162/2025	Amendments to Capital Gains Accounts Scheme & expanded TDS/TCS applicability for royalty/fees.
6.	26 th Nov, 2025	Direct Tax	Notification No. 164/2025 & 165/2025	Introduced retrospective income-tax rules with explanatory memorandums.

Rectifications in the previous Newsletter:

No Rectifications about the previous Newsletter(s).

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