

DAHOTRE & DAHOTRE
Chartered Accountants



Knowledge and Development Committee

Newsletter

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Editor-in-Chief's Message

Hello readers!

Welcome to the **49th** Newsletter Edition of 2025.

In this Issue, we will discuss about Materiality under Audit, Foreign Contribution Regulation Act and New Labour Codes introduced in 2025.

Vedant Potdar
Editor-in-chief

Team's Message

"Celebrate small wins — they pave the way for big achievements."

Tanaya Yeske
Knowledge Chairperson

Short Updates

ICAI

- Migration of UDIN Portal to ICAI DigiCA Platform
The members are hereby informed that the Institute of Chartered Accountants of India (ICAI) is contemplating migration of the existing UDIN Portal to the ICAI DigiCA Platform on 20th December 2025. The upgraded system will provide an improved interface, better usability and enhanced features in line with the various decisions of the Council.

To facilitate the migration, the existing UDIN Portal will remain unavailable for UDIN related activities (generation/verification) during the transition window for around 24 hours, i.e., with effect from the midnight of 19th December, 2025. Members are advised to generate all required UDINs prior to the scheduled downtime.

A comprehensive User Manual will be made available on the new platform for the guidance of members. In addition, a dedicated UDIN Mobile App, both on iOS and Android platforms, will be launched on 30th December 2025, to provide convenient

mobile access for members.

- The Institute of Chartered Accountants of India (ICAI) has announced a significant amendment to the Code of Ethics, permitting advertising by CA firms under strict ethical safeguards.

1. Permitted Activities

CA firms may advertise their services in a professional and ethical manner.

Promotion through websites and digital platforms is allowed.

Use of email, social media, and other push communication tools is permitted.

Firms can promote non-assurance services, including:

- Tax Advisory
- Consulting
- Business & Financial Advisory

2. Prohibited Practices

- Misleading or exaggerated claims.
- Comparisons with other CA firms.
- Any act harming professional dignity or independence.

01 Audit

Materiality in Audit – SA 320



Ishwari Kumbhakarna

Introduction

Materiality is not just a theoretical concept—it directly impacts:

- Audit planning and budgeting of hours
- Depth of audit procedures
- Sample sizes and selection
- Evaluation of misstatements and final audit opinion

Incorrect determination or application of materiality can lead to:

- Over-auditing (inefficiency and cost overruns)
- Under-auditing (audit failure and regulatory risk)

Definition of Materiality (Audit Standard Perspective)

Information is material if its omission or misstatement could reasonably be expected to influence the economic decisions of users of financial statements.

Key words auditors must focus on:

- Could reasonably influence
- Users of financial statements
- Economic decisions

This means materiality is entity-specific and judgment-based, not mechanical.

Determination of Overall Materiality (With Practical Examples)

1. Selection of Benchmark

Auditors first identify what best reflects the entity’s performance or financial position.

Type of Entity	Common Benchmark
Manufacturing/ Trading	Profit Before Tax (PBT)
Loss-making Company	Revenue or Total Assets
NBFC / Bank	Net Interest Income / Total Assets
Not-for-Profit	Total Expenditure
Real Estate	Revenue or Project Cost

2. Practical Example – Profitable Company

Client: ABC Manufacturing Pvt Ltd

- Revenue: ₹120 crore
- PBT: ₹6 crore

Benchmark selected: PBT

Materiality range: 5% of PBT

Overall Materiality:

₹6 crore × 5% = ₹30 lakh

Working paper note:

“PBT is considered the most appropriate benchmark as users focus on profitability.”

3. Practical Example – Loss-Making Company

Client: XYZ Textiles Ltd

- Revenue: ₹80 crore
- Loss before tax: ₹(4) crore

Benchmark selected: Revenue

Materiality: 1% of Revenue

Overall Materiality:

₹80 crore × 1% = ₹80 lakh

Reasoning:

PBT is volatile and not meaningful; revenue is more stable and relevant to users.

Performance Materiality – Practical Application

Performance materiality is set lower than overall materiality to reduce the risk that aggregate uncorrected misstatements exceed materiality.

Common practice :

50%–75% of overall materiality depending on risk.

Example Continuing ABC Manufacturing

- Overall Materiality: ₹30 lakh
- Performance Materiality (70%): ₹21 lakh

This means:

Individual audit procedures are designed to detect misstatements below ₹21 lakh.

Specific Materiality for Particular Areas

Certain areas require lower materiality due to sensitivity or regulatory focus.

Common Areas in Practice

- Related party transactions
- Director remuneration
- Statutory dues
- Loan covenants
- CSR expenditure

Example

Overall Materiality: ₹30 lakh

Specific materiality for Director Remuneration: ₹5 lakh

Even a ₹6 lakh excess remuneration becomes material by nature, not size

Qualitative Materiality – Real-Life Audit Scenarios

Example 1: Small Amount, Big Impact

Misstatement: ₹4 lakh

Overall Materiality: ₹30 lakh

However:

It results in violation of Companies Act limits on managerial remuneration

- Material due to legal non-compliance

Example 2: Trend Manipulation

Expenses deferred by ₹8 lakh

Turns a loss of ₹2 lakh into a profit of ₹6 lakh

- Material due to impact on earnings trend

Example 3: Fraud Consideration

Cash misappropriation of ₹2 lakh

Involves management override

- Material by nature regardless of amount

Materiality in Sampling – Field Level Perspective

Materiality directly affects:

- Sample size
- Nature of audit procedures

Example

Performance Materiality: ₹21 lakh

- Trade receivables balance: ₹15 crore
- Larger samples selected for high-risk customers
- 100% checking of balances above ₹21 lakh
- Smaller balances tested using sampling

Accumulation & Evaluation of Misstatements

Auditors must:

- Accumulate all identified misstatements (except clearly trivial ones)
- Compare aggregate misstatements with materiality

Example

Area	Misstatement
Inventory valuation	₹9 lakh
Depreciation	₹6 lakh
Provision for expenses	₹5 lakh
Total	₹20 lakh

Overall Materiality: ₹30 lakh

Performance Materiality: ₹21 lakh

- Close to performance materiality → **Management adjustment recommended**

Revising Materiality During Audit

Materiality must be reassessed if:

- Actual PBT differs significantly from provisional figures
- Business conditions change
- New risks are identified

Example

Initial expected PBT: ₹6 crore

Final PBT: ₹3 crore

Revised materiality:

Earlier: ₹30 lakh

Revised: ₹15 lakh

- Audit procedures and conclusions must be reconsidered

Documentation – What Regulators Expect

Working papers should clearly document:

- Benchmark selection and rationale
- Materiality calculations

- Performance materiality
- Changes during audit
- Treatment of uncorrected misstatements

Regulatory focus:

Inadequate documentation of materiality judgments is a common observation in peer reviews.

Key Takeaways

- a) Materiality is dynamic, not a one-time calculation
- b) Professional judgment is critical and must be documented
- c) Qualitative factors can override quantitative thresholds
- d) Proper application improves audit quality and efficiency

Questions

1. Why is performance materiality kept lower than overall materiality?
2. How does materiality influence audit planning and sample size?
3. When should an auditor revise materiality during the course of an audit?

*Read next: Foreign Contribution Regulation Act (FCRA):
Overview and Compliance*

02 General

Foreign Contribution Regulation Act (FCRA): Overview and Compliance



Dipali Kalyankar

Introduction

The Foreign Contribution Regulation Act (FCRA) was enacted to regulate the acceptance and utilization of foreign contributions or hospitality by individuals, associations, and companies in India. Its primary objective is to safeguard national interest and ensure that foreign funds do not compromise the sovereignty and integrity of the country.

Objectives

- To regulate foreign contributions and prevent misuse.
- To ensure transparency and accountability in the utilization of foreign funds.
- To protect national security and integrity.

Key Definitions

Foreign Contribution includes any donation, delivery, or transfer of currency, securities, or articles from a foreign source. It also covers income derived from such contributions.

Foreign Source refers to foreign governments, international agencies, foreign companies, and citizens of foreign countries.

Registration & Permission

Organizations intending to receive foreign contributions must either obtain FCRA registration (valid for 5 years) or prior permission for specific projects. Eligibility includes minimum 3 years of existence and a proven track record of activities. Applications are submitted online through the FCRA portal using Form FC-3A (registration) or FC-3B (prior permission).

Compliance Requirements

- Maintain a designated FCRA bank account with State Bank of India, New Delhi.
- Administrative expenses must not exceed 20% of foreign contributions.
- File annual returns in Form FC-4 by 31st December for the previous financial year.
- Maintain detailed records of donors and utilization of funds.

Recent Amendments

The 2020 amendment introduced Aadhaar requirement for office bearers, banned sub-granting of foreign funds, and capped administrative expenses at 20%. The 2025 notification strengthened documentation requirements, FATF compliance norms, and enhanced scrutiny for publication-related activities.

Penalties

Non-compliance can lead to suspension or cancellation of registration, freezing of bank accounts, monetary fines, and imprisonment. Unutilized funds in defunct organizations may be vested with the government.

Best Practices

- Maintain robust internal documentation and donor records.
- Ensure timely filing of returns and renewals.
- Monitor administrative expense limits.
- Prepare for enhanced scrutiny during registration and renewal.

Conclusion

FCRA compliance is essential for organizations receiving foreign contributions. It ensures

transparency, accountability, and adherence to national security norms. Strict compliance helps maintain credibility and legal legitimacy.

Questions

1. Which categories are barred from receiving foreign contributions?
2. What are the annual requirements under FCRA?
3. Why is an SBI New Delhi designated account mandatory?

Read next: New Labour Code 2025

03 General

New Labour Code 2025



Gaurav Watkar

Introduction

The Government of India has introduced the New Labour Codes with the objective of simplifying, consolidating, and modernising India's labour law framework. Earlier, labour laws in India were governed by 29 different central Acts, which created complexity in compliance and enforcement. To address this, the government consolidated these laws into four comprehensive Labour Codes, collectively referred to as the New Labour Code. These codes aim to balance employee welfare, employer flexibility, and ease of doing business, while extending social security and legal protection to a wider workforce including gig, platform, and unorganised workers.

Overview of the Four Labour Codes

The New Labour Code framework consists of the following four codes:

- Code on Wages, 2019
- Industrial Relations Code, 2020
- Code on Social Security, 2020
- Occupational Safety, Health and Working Conditions Code, 2020

Together, these four codes replace 29 existing central labour laws.

Code on Wages, 2019

This code regulates wages, minimum wages, payment of wages, and bonus.

Key Provisions:

Uniform definition of "Wages"

Wages include:

- Basic Pay
- Dearness Allowance (DA)
- Retaining Allowance (if any)

Basic + DA must be at least 50% of total remuneration.

Minimum Wages for All Employees

- Applicable to all sectors and employees, unlike earlier laws limited to scheduled employments.
- Introduction of a National Floor Minimum Wage.

Timely Payment of Wages

- Wages must be paid on or before:
 - 7th day of the following month (for establishments with < 1,000 workers)
 - 10th day (for larger establishments)

Bonus & Deductions

- Bonus eligibility continues under a unified framework.
- Deductions are regulated and capped to protect employees.

Industrial Relations Code, 2020

This code governs employment terms, trade unions, industrial disputes, and layoffs.

Key Provisions

- Fixed-Term Employment
 - Employers can hire workers for a fixed duration.
 - Fixed-term employees are entitled to:
 - Same wages
 - Same benefits
 - Gratuity after 1 year of service.

Trade Unions

- Recognition of a negotiating union if it has 51% or more workers.
- If no union has majority, a negotiating council is formed.

Layoff, Retrenchment & Closure

- Government approval required for establishments with 300 or more workers (earlier limit was 100).

Dispute Resolution

- Faster dispute resolution through industrial tribunals.
- Encourages conciliation and reduces prolonged litigation.

Code on Social Security, 2020

This code focuses on social security benefits and brings a large section of workers under its coverage.

Key Provisions

- Universal Social Security Coverage Covers:
 - Organized workers
 - Unorganised workers
 - Gig workers
 - Platform workers

Benefits Covered

- Provident Fund (PF)
- Employees' State Insurance (ESI)
- Gratuity
- Maternity benefits
- Insurance and pension schemes

Gig & Platform Workers

- Special social security schemes funded by:
 - Central Government
 - State Government
 - Aggregators (like food delivery, ride-hailing platforms)

Gratuity Changes

- Fixed-term employees eligible after 1 year.
- Working journalists also included.

Occupational Safety, Health and Working Conditions Code, 2020

This code ensures safe, healthy, and humane working conditions.

Key Provisions

- Applicability
 - Applies to factories, mines, construction, contract labour, and establishments with specified worker strength.
- Working Hours
 - Maximum 8 hours per day.

- Weekly working hours capped at 48 hours.
 - Health & Safety Measures
- Employer responsibility for
- Workplace safety
 - Free annual health check-ups (especially for workers above a certain age)

- Women Employees

Women allowed to work night shifts with:

- Their consent
- Adequate safety arrangements

- Leave Provisions

- Eligibility for earned leave after 180 days of work (earlier 240 days).

Impact of New Labour Code 2025

a) Impact on Employees

- Increased social security coverage
- Timely payment of wages
- Improved workplace safety
- Equal treatment of fixed-term and contract workers
- Possible reduction in take-home salary due to higher PF/gratuity contributions

b) Impact on Employers

- Simplified compliance with fewer laws
- Unified registration and licensing
- Need to restructure salary components
- Increased statutory responsibilities

Conclusion

The New Labour Code 2025 marks a significant reform in India's labour law regime. While it enhances worker protection and social security, it also promotes transparency, flexibility, and ease of compliance for employers. Successful implementation will depend on proper awareness, state-level rules, and balanced enforcement to ensure that both workers and businesses benefit from the reform.

Questions

1. How many labour laws were consolidated under the new labour codes?
2. After how many years of service is gratuity payable to fixed-term employees?

3. Are women allowed to work night shifts under the new code?
4. From Which Date New Labour Code is applicable?

Read next: Wall of wisdom.

WALL OF WISDOM (WOW):

- "In the middle of every difficulty lies opportunity."
- "True wisdom is knowing what to ignore."

Read next: Do you know?

DO YOU KNOW?

1. Do you know elephants can "hear" with their feet?
2. Do you know sharks existed before trees?

What else do You Know?

Let us know.

Read next: Motivational Quote.

MOTIVATIONAL QUOTE:

"I admire people who are very successful, but if they haven't given back to society, I don't think they are worth much"

— Sir Ratan Tata

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. Realisation Account
2. RERA Audit
3. Private Equity

DLC Updates

Section	Name of Asset
Audit	EL- Capital Gain Withdrawal Certificate
Audit	EL-Cost Certificate
Audit	EL-Debtor Ageing Certificate
Audit	EL-Document Verification Certificate
Audit	EL-Due Diligence Certificate
Audit	MRL-Due Diligence Certificate
Audit	EL-Economically Weaker Section (EWS) Certificate
Audit	MRL-Economically Weaker Section (EWS) Certificate
Audit	MRL-Form CA (IBC)
Audit	EL-Going Concern Certificate
Audit	EL-Justification Letter Certificate
Audit	EL-Stakeholder certificate
Audit	EL-Unrealised Export Bills Certificate
Audit	Redevelopment Tender Certificate
Audit	Disclosure Glossary-Company Audit
Audit	Disclosure Glossary- Non Corporate Audit.

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
	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 be audited	FY 2025-26	15/09/2025

(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)	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	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
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 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
	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	Penalty amount equals such loan/deposit.
	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.	
	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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