



Knowledge and Development Committee

Newsletter

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Short Updates

Indirect Taxes

- The GST Network (GSTN) advisory issued on January 23, 2026, introduces a fundamental shift in how tobacco and pan masala products are taxed in India. Starting February 1, 2026, the valuation for these goods will move from a "transaction-value" model to a Retail Sale Price (RSP) model. This means that GST will now be calculated based on the MRP printed on the package, effectively making the actual price charged to the customer or any trade discounts irrelevant for tax purposes.
- This change presented a technical challenge for the GST portal, which is designed to ensure that the sum of the taxable value and the tax amount does not exceed the total invoice value. Under the new RSP rules, the "deemed" taxable value is often higher than the actual commercial price, which would typically trigger system errors and block the filing of returns or generation of e-way bills. To resolve this, the GSTN has provided a specific reporting "workaround" to bridge the gap between legal requirements and system limitations.

Editor-in-Chief's Message

Hello readers!

Welcome to the 05th Newsletter Edition of 2026.

In this issue, we will discuss the Stamp Paper Scam, 2003, Form 67 under Income Tax Act, 1961 and GCCs in India.

Vedant Potdar

Editor-in-chief

Team's Message

"Talent wins games, but teamwork and intelligence win championships."

Dipali Kalyankar

Knowledge Chairperson

- For practical compliance, taxpayers are advised to report the Net Sale Value (the actual price charged) in the "Taxable Value" field on the portal. However, they must manually calculate and enter the tax amount based on the RSP using the statutory formula. The total invoice value should then be reported as the sum of this actual sale value and the RSP-based tax. This reporting method is intended solely as a trade facilitation measure and applies strictly to the HSN codes for pan masala, cigarettes, and other notified tobacco substitutes.

01

General

The Stamp Paper Scam, 2003



Vanshika Singh

Introduction

The Stamp Paper Scam of 2003 stands as one of India's largest financial frauds, exposing deep cracks in administrative oversight and law enforcement. Orchestrated by Abdul Karim Telgi, the scam involved the large-scale printing and circulation of counterfeit stamp papers, causing losses estimated at ₹20,000 crore.

What Are Stamp Papers?

Stamp papers are government-issued documents used to legalize agreements such as:

- Property transactions
- Affidavits
- Contracts
- Court documents

Because of their legal significance, stamp papers are considered highly secure instruments making this scam particularly alarming.

How the Scam Worked

Telgi exploited loopholes in the stamp paper supply chain by:

1. Illegally acquiring printing machines
2. Producing high-quality counterfeit stamp papers

3. Distributing them through a vast network of agents across multiple states

Shockingly, the operation thrived with the active involvement of corrupt officials, including police officers and bureaucrats, who provided protection and logistical support.

Exposure and Investigation

The scam came to light in 2003 after irregularities were noticed in stamp paper circulation.

Investigations revealed:

1. Nationwide reach across Maharashtra, Karnataka, Tamil Nadu, and other states
2. Involvement of senior law enforcement officials
3. Weak coordination between state agencies
4. A Special Investigation Team (SIT) and later the CBI took over the case.

Legal Outcome

Abdul Karim Telgi was convicted in multiple cases. He was sentenced to rigorous imprisonment and fined heavily.

Several officials were dismissed, suspended, or prosecuted.

Telgi died in prison in 2017.

Impact and Reforms

The scam led to major reforms, including:

- Introduction of e-stamp papers
- Improved tracking and digitization of stamp duty payments
- Greater scrutiny of government printing and distribution processes

Key Takeaway

The Stamp Paper Scam was not just a case of individual fraud—it was a systemic failure. It highlighted how corruption, when combined with weak oversight, can undermine public trust and cause massive economic damage.

Why It Still Matters

Even today, the scam serves as a reminder of the importance of:

1. Transparency in governance

2. Strong institutional checks
3. Ethical responsibility in public service

Read next: FORM 67

02 Direct Taxes

FORM 67



Sakshi Jadhav

Introduction

Form 67 is a mandatory online document for Indian resident taxpayers to claim Foreign Tax Credit (FTC) under Rule 128 of the Income Tax Rules for taxes paid abroad, preventing double taxation. It must be filed on the e-Filing portal before the due date of filing the ITR, though recent amendments allow filing by the end of the relevant assessment year.

Key details about Form 67

- **Purpose:** To claim credit for taxes paid in a foreign country (under DTAA or Section 91) against Indian tax liability.
- **Who Files:** Resident individuals/entities with foreign income (salary, dividends, interest, capital gains) on which tax has already been paid/deducted outside India.
- **Deadline:** Must be filed before submitting the Income Tax Return (ITR). Form 67 can be submitted up to the end of the assessment year in which the ITR is due.
- **How to File:** Exclusively online via the Income Tax Department website.
- **Contents:** Requires details of foreign income, taxes paid abroad (in local currency and INR), and the specific country/territory.

Steps to file the Form

- **Login:** Log in to the Income Tax e-Filing portal using your user ID (PAN) and password.
- **Navigate to Forms:** Go to the "e-File" menu, select "Income Tax Forms," and click on "File Income Tax Forms".
- **Select Form 67:** Search for "Form 67" or select it from the list of forms. Choose the relevant "Assessment Year" (A.Y.) and click "Continue".
- **Fill the Form:** Click "Let's Get Started" to fill out the form, which includes:
 - **Part A:** Details of income earned outside India and foreign tax paid/deducted.
 - **Part B:** Information regarding refunds or disputes related to foreign tax.
- **Attach Documents:** Upload supporting documents, such as a certificate of foreign tax paid, foreign tax return, or payment proof.
- **Preview and Submit:** Click "Preview" to review the information. Click "Proceed to e-Verify".
- **e-Verify:** Complete the submission using an Electronic Verification Code (EVC) or Digital Signature Certificate (DSC).
- **Acknowledgement:** A success message with a transaction ID and acknowledgement number will appear, and a confirmation email will be sent.

Why Form 67 Required

- a) **Claiming Tax Credit:** It is the official documentation to claim relief for taxes already paid in a foreign country against Indian tax liability.
- b) **Preventing Double Taxation:** It ensures that income earned abroad is not taxed twice—once in the foreign country and again in India.
- c) **Compliance:** Mandatory for taxpayers (including NRIs and residents) looking to reduce their Indian tax liability based on treaties like DTAA.

- d) **Carry Backward of Losses:** Required when a carry backward of losses results in a refund of foreign tax for which credit was previously claimed.

Exceptions

Form 67 is mandatory under Rule 128 of the Income Tax Rules, 1962, for claiming Foreign Tax Credit (FTC), and there are no official, explicit statutory exceptions that waive its requirement if you wish to claim credit for taxes paid abroad. However, judicial precedents have allowed exceptions, such as accepting delayed filings due to pandemic-related constraints.

What if not Filed?

Failure to file Form 67 by the due date (usually the original Income Tax Return deadline u/s 139(1)) technically allows the Assessing Officer to disallow your Foreign Tax Credit (FTC), leading to double taxation. However, courts have often ruled that Form 67 is procedural, and if filed before the completion of assessment, the FTC should be allowed.

Consequences

- **Initial Denial:** The Income Tax Department may disallow the FTC, causing you to pay tax on the same income in both countries.
- **Litigation Risk:** Non-filing or late filing can result in high litigation costs, as it depends on judicial interpretation rather than a direct, easy allowance.
- **Judicial View:** Various tribunals (ITAT) and High Courts (like Madras HC) have held that as long as Form 67 is filed before the assessment is completed, the claim should not be rejected.
- **Remedy:** If missed, you should file it immediately, and, if necessary, file a rectification application or appeal.
- **Deadline:** While technically mandatory before the ITR due date, recent rulings often allow it to be considered if filed before the final assessment order.

Read next: GCCs in India

03 General

GCCs in India



Bhavana Chitte

Introduction

A Global Capability Center (GCC) is a captive offshore unit set up by multinational companies to deliver:

- IT & Digital services
- Finance & Accounting
- HR, Legal, Procurement
- R&D, Data Analytics, AI

Why Companies Set Up GCCs

- Cost efficiency
- Access to skilled talent
- 24/7 operations
- Faster innovation
- Data security & control (better than outsourcing)

Why India is the #1 GCC Hub

- Large English-speaking talent pool
- Strong IT ecosystem
- Lower operating costs
- Government support (SEZs, Digital India)
- India hosts ~50% of the world's GCCs.

Key Statistics (2024–25)

- 1,600+ GCCs in India
- 1.9 million+ professionals employed
- \$46 billion revenue contribution
- Expected to reach \$100 billion by 2030

Big Companies with GCCs in India

- Google
- Microsoft
- Amazon
- JPMorgan Chase
- Walmart

Services Provided by GCCs

- Software development
- Cybersecurity
- AI & Data Analytics
- Finance & Accounting
- Product design
- Supply chain management
- Legal & Compliance

Impact on Indian Economy

- High-paying jobs
- Boost to real estate & startups
- Skill development
- Increase in exports
- Technology innovation

Future of GCCs in India

- Shift from cost centers → innovation hubs
- Growth in AI, Cloud, Blockchain, Cybersecurity

Conclusion

India is the global powerhouse for GCCs, driving innovation, employment, and digital transformation worldwide.

QUESTIONS

1. What is GCC?

2. What are the services provided by GCCs?

Read next: Wall of wisdom.

WALL OF WISDOM (WOW):

- “A trained mind sees opportunity where a tired mind sees obstacles”
- “Small disciplines, practiced daily, create great success.”

Read next: Do you know?

DO YOU KNOW?

- Did you know a teaspoon of honey is the lifetime work of about 12 bees.
- Did you know butterflies can taste with their feet.

What else do You Know?

Let us know.

Read next: Motivational Quote.

MOTIVATIONAL QUOTE:

“Kindness sharpens the mind as much as hard work shapes success—grow in both, and the world opens its doors.”

— Sudha Murty

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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Best Newsletter Presenters of 2025

Month's	Best Presenters
January	Vedika Pawale
February	Sakshi Pawar
March	Sakshi Pawar
April	Aditya Kanade
May	Sakshi Pawar
June	Vedant Potdar
July	Isha Dagra
August	Ishwari Kumbhakarna
September	Sakshi Pawar
October	Sairaj Thombre
November	Mayuri Agwal
December	Dipali Kalyankar

Upcoming Newsletter

1. Types of scrutiny
2. The Nirav Modi Scam: A Cautionary Tale for Indian Banking
3. Tiger Global Holdings – Legal & Tax Analysis

Read next: Statutory Due Date.

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
	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	FY 2025-26	15/09/2025
	(b) Partner of a firm whose accounts are required to		

		be audited		
		(c) An assessee who is required to furnish a report under Section 92E.		
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 <ul style="list-style-type: none"> (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.	30 th 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
	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
November 2025	1 Monthly Return (VAT payment)	October 2025	21/11/2025
December 2025	1 Monthly Return (VAT payment)	November 2025	21/12/2025
January 2026	1 Monthly Return (VAT payment)	December 2025	21/01/2026
	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.	<p>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.</p> <p>2. 200% of the tax is payable if under-reporting results from the misreporting of income</p>	50% of tax payable under-reported Income, OR 200% of tax payable from misreporting of income
3. Failure to maintain books of accounts and other documents	<p>1. Normally, the amount of penalty leviable is INR25,000</p> <p>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</p>	INR 25000 OR 2% of the value of the International transaction
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	<p>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.</p> <p>2. In all other cases, the penalty is leviable @ 60%</p>	30% OR 60%
6. Audit and Audit Report	<p>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.</p> <p>2. Failure of the assessee to furnish the Audit report related to foreign transaction, a penalty @ INR 1,00,000 will be payable</p>	INR 150000/- OR 0.5% of total sale, turnover/gross receipt
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-Dedication 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	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.	Penalty amount equals such loan/deposit.
9. Others	1. Failure to apply/quote/ intimate PAN/ quoting false PAN shall attract a penalty of INR 10,000 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	INR 10000/-

10. Late Filing ITR	3. Noncompliance with summons to give evidence/ produce books of accounts	
	4. Failure to comply with a notice	
	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

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

Sr. No.	Date	Area of Knowledge (AOK)	Notification/ Circular/ Press Release	Short Description
1	1 st Dec, 2025	Audit	Companies (Specification of Definition Details) Amendment Rules, 2025	Increased thresholds for 'small company': Paid-up capital ₹10 cr, turnover ₹100 cr.
2	2nd Dec, 2025	Direct Tax	Notification No. 166/2025 (SO 5551 E)	Temple in Mumbai notified under Sec 80G (2)(b); donations up to ₹50 cr eligible for deduction.
3	4 th Dec, 2025	Direct Tax	Notification Nos. 167, 168, 169/2025	Jalandhar & Ajmer Development Authorities and TN Pollution Control Board exempt under Sec 10 (46A), retrospective effect.
4	5 th Dec, 2025	Indirect Tax	BDO Indirect Tax Digest	Legislative/judicial GST, Customs, VAT updates (Goa/Haryana changes, metro project customs duty).
5	16th Dec, 2025	Indirect Tax	GSTN Advisory	Auto-suspension of GST registration for non-submission of bank details under Rule 10A.
6.	31 st Dec, 2025	Audit	Amendment to Rule 12A	Director KYC filing changed to once every three years; effective 31 Mar 2026.
6.	31 st Dec, 2025	Audit	MCA Circular	Extended filing deadlines for annual returns (MGT-7, AOC-4) till 31 Jan 2026.

Rectifications in the previous Newsletter:

No Rectifications about the previous Newsletter(s).

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