

**DAHOTRE & DAHOTRE**  
Chartered Accountants



Knowledge and Development Committee

# Newsletter

Period of Update: 08<sup>th</sup> February 2025 to 14<sup>th</sup> February 2026  
Period of Issue: 15<sup>th</sup> February 2026 to 21<sup>st</sup> February 2026

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## Editor-in-Chief's Message

Hello readers!

Welcome to the **07**<sup>th</sup> Newsletter Edition of 2026.

In this Issue, we will discuss about taxability of gains on Unlisted shares, Inverted duty structure under GST and a Case study on a FMCG company: Minimalist.

**Vedant Potdar**  
Editor-in-chief

## Team's Message

"Teamwork turns pressure into power."

**Dipali Kalyankar**  
Knowledge Chairperson

## Short Updates

### RERA

- Maharashtra has become the first and only state in India to cross 50,000 project registrations under RERA (Real Estate Regulatory Authority).
- As of January 2026, 50,162 projects are registered with MahaRERA, accounting for nearly 35% of the total 1,44,617 projects nationwide.
- This milestone highlights Maharashtra's dominance in India's real estate regulation.
- Tamil Nadu follows with 27,609 projects, and Gujarat ranks third with 15,322 projects. These are the only three states with RERA-registered projects in five figures.
- MahaRERA was established in 2017 and has consistently led in compliance and registrations.

### Direct Tax

#### Direct Tax Collections

- Net direct tax collections for FY 2025-26 (April–Feb) rose 9.4% year-on-year, reaching ₹19.43 lakh crore.
- Gross collections stood at ₹22.8 lakh crore, with refunds worth ₹3.3 lakh crore issued during the same period.
- Growth reflects stronger compliance and steady economic activity.

#### Compliance Trends:

- The Income Tax Department highlighted improved voluntary tax payments and better enforcement measures.
- Corporate tax and personal income tax remain the largest contributors to direct tax revenue.

## 01 Direct tax

### How are gains taxed when you buy Unlisted Shares and Sell after listing?



Som Nath Acharya

#### Introduction

When you buy unlisted shares (like pre-IPO shares) and later sell them after they get listed, taxation depends on:

- Period of holding
- Whether shares are listed at the time of sale
- Whether STT (Securities Transaction Tax) is paid

#### Period of Holding (Very Important)

The holding period is calculated from the date you purchased the unlisted shares (not from listing date).

Holding Period	Type of Gain	Tax Rate
Up to 12 months	STCG	15% (if STT paid)
More than 12 months	LTCG	10% above ₹1 lakh (if STT paid)

Once shares are listed and sold on stock exchange with STT paid, they are taxed like normal listed shares.

#### What if sold before listing?

If you sell while still unlisted:

Holding Period	Type	Tax Rate
Up to 24 months	STCG	Slab rate
More than 24 months	LTCG	20% with indexation

(Unlisted shares need 24 months to become long-term.)

#### Example

Suppose:

You bought pre-IPO shares at ₹200 in Jan 2024

Company lists in July 2025

You sell in Aug 2025 at ₹500

Holding period = Jan 2024 to Aug 2025 = 19 months

Since sold after listing and holding > 12 months → LTCG

Tax = 10% on gain above ₹1 lakh

Gain = ₹300 per share

#### Important Practical Points

- Holding period starts from original purchase date
- If sold after listing through stock exchange → STT must be paid
- No indexation benefit after listing
- ₹1 lakh LTCG exemption available (for listed shares)

#### Questions

- From which date is the holding period calculated?
- How are gains taxed if unlisted shares are sold after listing?

Read next: Inverted Duty Structure Under GST

## 02 Indirect Tax

### Inverted Duty Structure Under GST



Mayuri Agwal

#### Introduction

An inverted duty structure (IDS) in GST occurs when the tax rate on a business's inputs (raw materials/services) is higher than the GST rate on its finished goods (outward supplies). This creates a situation where Input Tax Credit (ITC) accumulates because the tax paid on inputs exceeds the tax collected on sales, leading to blocked credit and liquidity issues, though the law allows for a refund of this unutilized ITC under specific conditions, like in textiles, footwear, and certain electronics.

#### Key aspect

**Definition:** Tax on inward supplies > Tax on outward supplies.

**Example:** Input materials taxed at 18%, but finished product taxed at 12% or 5%.

**Problem:** Causes ITC accumulation, tying up business funds and impacting competitiveness.

**Solution:** GST law (Section 54) permits claiming a refund for unutilized ITC in IDS situations, calculated using specific formulas.

**Affected Sectors:** Textiles, footwear, mobile phones, minerals, and some services (like hospitality with high input rent vs. low output tax).

#### Inverted Duty Refund Section 54(3)(ii)

- Applies when input GST rates are higher than output GST rates for goods or services.

- Refund is not allowed if output supplies are nil-rated/fully exempt, or if the goods exported are subject to export duty.
- Applications must be filed in FORM GST RFD-01 within two years from the relevant date (date of tax payment).

#### Formula

Turnover of inverted supply of goods and services	x	Net ITC	=	Tax payable on such inverted supply of goods and services
Adjusted Total Turnover		ITC availed on inputs & input services		

Net ITC = ITC on Input of Goods

ITC on Services

ITC on Capital Goods

#### Example

In Rs.

TURNOVER	TAXABLE	ICGST	CGST	SGST	Total
Inverted Turnover@5%	100		5	5	110
Other than Inverted Turnover @18%	80		14	14	108
Total	180		19	19	218

Total ITC Availed @18%

In Rs.

	CGST	SGST	IGST	Total
ITC on Goods (NET ITC)	400	400		800
ITC on Services	50	50		100
ITC on Capital Goods	50	50		100
TOTAL	500	500		1000

#### Maximum Refund

Inverted Duty Turnover/Total Turnover \* Net ITC  
100/180\*800 = 444 Rs.

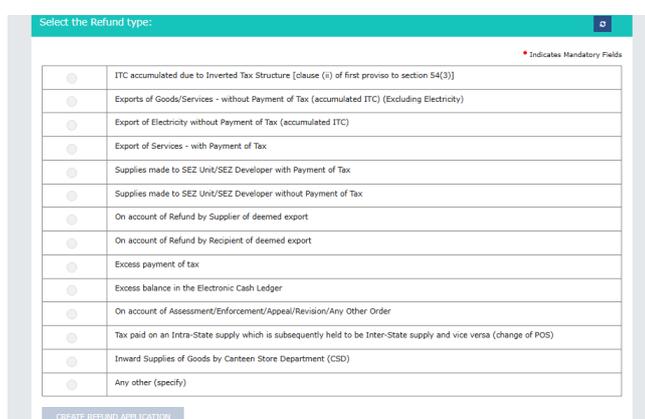
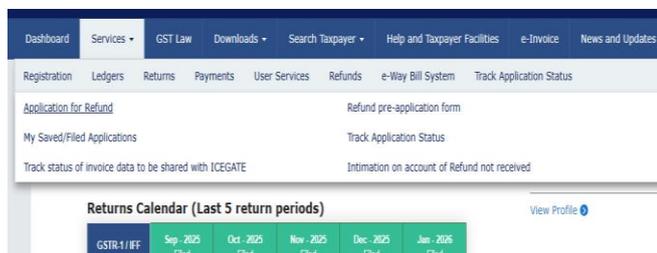
Tax Payable on Inverted supply \*Net ITC / ITC on Goods and Services

=10\*800/900 = 8.88 Rs.

Maximum Refund = (444-8.88) = 435 Rs.

## Steps To File Inverted Duty Refund

- 1) Ensure GSTR-1 and GSTR-3B are filed for the relevant period. Verify that the input tax rate is higher than the output tax rate.
- 2) **Navigate to Portal:** Log in to the GST portal and go to Services > Refunds > Application for Refund.
- 3) **Select Type:** Choose "Refund on account of ITC accumulated due to inverted tax structure".
- 4) **Select Period:** Choose the financial year and tax period (month/quarter).
- 5) **Prepare Data (Statement 1A):** Download the offline utility to enter details of inward/outward supplies, then upload the prepared Statement 1A (detailing ITC on inputs only).
- 6) **Calculate Refund:** The system calculates the eligible amount based on the formula
- 7) **Upload Documents:** Attach required documents, including Statement 1A, and declaration under Rule 89(2)(l) and 89(2)(m).
- 8) **Submit Application:** Preview, sign with DSC or EVC, and submit to generate the Application Reference Number (ARN).



**Important Message**

**Adjusted Total turnover** means the sum total of the value of-  
(a) the turnover in a State or a Union territory, as defined under clause (112) of section 2, excluding the turnover of services; and  
(b) the turnover of zero-rated supply of services determined in terms of clause (D) of rule 89(4) of CGST Rules, 2017 and non-zero-rated supply of services, excluding-  
(i) the value of exempt supplies other than zero-rated supplies; and  
(ii) the turnover of supplies in respect of which refund is claimed under sub-rule (4A) or sub-rule (4B) or both, if any, during the relevant period.

Statement 1A \* [Click to fill the details of documents for inward and outward supplies](#) [Download Offline Utility](#)

Kindly enter values in statement 1 below for the Tax Period for which Refund is being claimed:

Computation of Refund to be claimed (Statement 1)

	Turnover of inverted rated supply of goods and services (1) (₹) *	Tax payable on such inverted rated supply of goods and services * (Net ITC / ITC availed on inputs and input services) (2) (₹) *	Adjusted total turnover (₹) *	Net input tax credit (₹) (₹) *	Maximum refund amount be claim (₹) [(1×4)-(3) (₹)]
Integrated Tax					
Central Tax	₹0.00	₹0.00	₹0.00	₹1,18,44,826.00	0.00
State/UT Tax					
CESS		₹0.00		₹0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,18,44,826.00</b>	<b>0.00</b>

Amount eligible for Refund (in ₹)

	Balance in Electronic Credit ledger at the end of tax period for which refund is claimed (balance remaining after return for this period is filed) (1) (₹)	Balance in Electronic Credit ledger at the time of filing of refund application (2) (₹)	Refund to be Claimed (3) (₹)
Integrated Tax	0.00	0.00	₹0.00
Central Tax	47,88,919.00	47,88,919.00	₹0.00
State/UT Tax	97,64,792.00	97,64,792.00	₹0.00
CESS	0.00	0.00	₹0.00
<b>Total</b>	<b>1,45,53,711.00</b>	<b>1,45,53,711.00</b>	<b>0.00</b>

[Click to view Electronic Liability Ledger](#)

**Note:** You may view the Electronic Liability Register that displays your liabilities/ dues of Returns and other than Returns. Hence, you may save this Refund Application and navigate to the dashboard to settle the dues first, or may proceed here to submit the application. Please note that the recoverable dues shall be deducted from the gross amount to be paid from the Refund Amount claimed in the refund application received, by the Refund Processing Officer while processing the Refund.

Bank Account Number

Select Account Number \*

**Note:** In case you seek to change the preference of the bank account, which is not appearing in the dropdown list, please add bank account by filing non-core amendment of registration form. Disbursement of a refund amount will be credited to the selected account here. Please be advised to keep the selected bank account operational till sanctioned subject to non-availability of the account. If disbursement fails due to error of

## ANNEXURE B

**Annexure-B**

**Statement of invoices to be submitted with application for refund of unutilized ITC**

Sl No.	Sl No. of the Supplier	Name of the supplier	Invoice Details	Type	Taxable Value	Central Tax	State Tax/Union Territory Tax	Integrated Tax	Cess (eligible for ITC)	Amount of eligible ITC	Whether entries included in GSTR-3B
1	2	3	4	5	6	7	8	9	10	11	12
			Invoice No. Date	Inputs/Outputs Services/Capital goods							

## Documents To Be Uploaded

- Annexure B
- Sample Purchase and Sales Invoice
- Refund Working
- Filed GSTR 1 and GSTR 3B of respective months.

## Questions

1. If earlier your sales rate was 5% and ITC rate was 18%, after the budget, GST rates on the respective sales changed to 18%, Can we still claim the Inverted Duty Refund.

Read next: Case Study: Minimalist - A Journey from Startup Spark to HUL's Premium Beauty Powerhouse

### 03 General

## Case Study: Minimalist - A Journey from Startup Spark to HUL's Premium Beauty Powerhouse

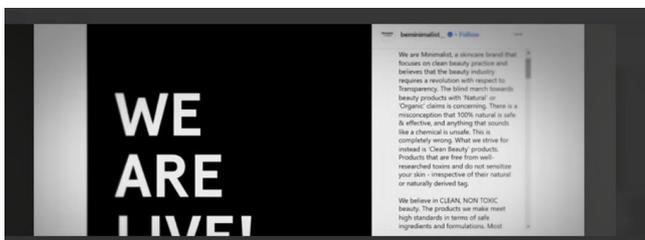


Vedika Pawale

### Their Pre-Minimalist Start up Learnings

- Their earlier venture Freewill (personalized haircare) prepared them for scaling a consumer-first brand but struggled due to complex personalization tech.
- These experiences sharpened their understanding of consumer behavior, supply chain complexity, and digital acquisition — all of which became building blocks for Minimalist

### The Beginning: A Transparent Vision (2020)



Minimalist was founded in 2020 by Mohit Yadav and Rahul Yadav, with a bold mission to create a science-backed, transparent, and efficacious skincare brand built around the philosophy of #HideNothing. The founders aimed to fill a glaring gap in the Indian beauty market—products rooted in active ingredients, credible formulation, and clean communication.

From its inception, Minimalist distinguished itself through:

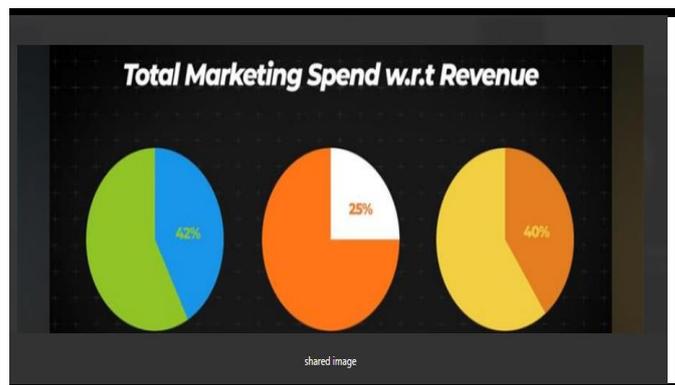
- Evidence-based product development
- Radical transparency in ingredient disclosure
- Digital-first consumer engagement

This focus on authenticity and efficacy resonated rapidly with a growing base of skincare-aware consumers.



**Growth: From 1,000 Bottles to ₹500 Crore ARR**

Minimalist's growth in its first years was nothing short of extraordinary:



- Their first 1,000-bottle batch sold out in two days due to one influencer's YouTube review.
- The brand scaled to a ₹100 crore business within just eight months of launch.
- Minimalist achieved a ₹500 crore Annual Revenue Run Rate (ARR) in just four years — while remaining profitable since inception.
- It doubled profits to ₹10.83 crore in FY2024, while hitting ₹347 crore revenue.
- This growth trajectory placed Minimalist among the fastest-scaling D2C beauty brands in India.

### Rapid Ascent: Growth and Market Positioning

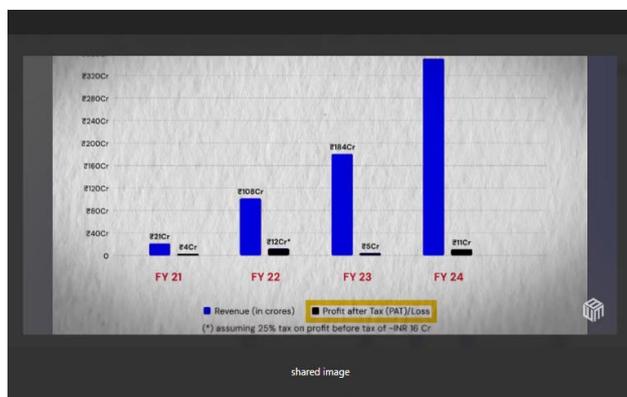
Despite entering a competitive and saturated beauty space, Minimalist grew at an explosive pace. Within just four years, the brand scaled to an Annual

Revenue Run Rate (ARR) of INR 500 crore—a milestone few D2C brands in India have matched so quickly.

Key factors behind the brand's meteoric rise:

- Strong product efficacy rooted in actives-led science
- Profitable operations since inception
- Digital-first growth strategy
- Expansion across skincare and haircare categories

By consistently delivering results-driven formulations, Minimalist carved a niche in the premium actives-led beauty segment, an area experiencing robust consumer demand.



## Customer Retention & Loyalty

Minimalist boasts one of the highest loyalty metrics in the Indian beauty space:

60% repeat customer rate, showing deep product trust and long-term adoption.

This retention success is rooted in:

- High product efficacy (consumers see visible results)
- Transparent formulations
- Minimalist's routine-building approach, which encourages multi-product usage
- Consistent new launches in trending actives (AHA/BHA, Niacinamide, Vitamin C, etc.)

	Minimalist	Market Average
Marketing spend	25%	40%-50%
Repeat Rate	60%	16%-22%

## Acquisition by HUL: A Strategic Power Move (January 2025)

On 22 January 2025, Hindustan Unilever Limited (HUL) announced it would acquire a 90.5% stake in Minimalist at a ₹2,955 crore valuation.

Why HUL Wanted Minimalist:

- Strong foothold in premium beauty demand spaces
- Deeply loyal customer base
- High profitability and exceptional growth
- Complementarity with HUL's Beauty & Wellbeing portfolio
- The Yadav brothers will continue to run the brand for at least two years post-acquisition.
- HUL's nationwide distribution will now help Minimalist scale across offline retail and fast-track international expansion.

## Summary

Minimalist, founded in 2020 by Mohit and Rahul Yadav, rapidly evolved from a small actives-led skincare startup into one of India's fastest-growing D2C brands. The founders' deep experience, transparency-first marketing, science-backed product range, and exceptional retention (60% repeat customers) fueled massive growth — reaching ₹500 crore ARR in just four years. Its impressive performance and strategic fit led HUL to acquire a 90.5% stake at a ₹2,955 crore valuation in 2025, paving the way for broader distribution and global expansion.

## Questions

- What factors do you believe contribute most to a high retention rate in beauty brands like Minimalist?
- Do you think HUL's acquisition will strengthen Minimalist's identity or dilute its startup authenticity? Why?

3. Which Minimalist value — transparency, pricing, or science-driven formulations — resonates most with you as a consumer?

*Read next: Wall of wisdom.*

## WALL OF WISDOM (WOW):

- "Dreams work only when you do"
- "Happiness blooms where gratitude is planted"

Read next: Do you know?

## DO YOU KNOW?

1. Do you know an earthworm does not have one big heart but 5 small hearts?
2. Do you know hot water freezes faster than cold water?

## What else do You Know?

Let us know.

Read next: Motivational Quote.

## MOTIVATIONAL QUOTE:

**"Be so busy improving yourself that you have no time to criticize others"**

— Chetan Bhagat

### Sources-

- Company Law Notifications and Circulars
- CBDT Notifications and Circulars
- CBIC Notifications and circulars
- Other Allied Law Notifications and circulars
- MCA21 Website.
- Income Tax Website.
- GST Website.
- Other Statutory Government Websites.
- Extracts from Tax Guru- Extracts from Clear Tax- Extracts From the CA club India.

### Contact Details-

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Email – kn@dahotreca.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
June	Vedant Potdar

July	Isha Dagra
August	Ishwari Kumbhakarna
September	Sakshi Pawar
October	Sairaj Thombre
November	Mayuri Agwal
December	Dipali Kalyankar

## Upcoming Newsletter

1. Hedge Accounting
2. Can Recovery Be Made from a Dead Person Under GST?.
3. Tariffs War

## DLC Updates

Section	Name of Asset
Audit	Networth Certificate
Indirect Taxation	GST Summary Sheet GSTR-9 and GSTR-9C
Indirect Taxation	Engagement Letter for GSTR 9 and GSTR 9C
Indirect Taxation	GST Summary Sheet GSTR-9 and GSTR-9C
Indirect Taxation	Engagement Letter for GSTR 9 and GSTR 9C
Audit	UFCE Certificate
Audit	Engagement Letter for UFCE Certificate
Audit	MRL for UFCE Certificate
Audit	Misstatement and Sample Summary
Audit	Misstatement and Sample Summary
Audit	CSR Calculation Chart
Audit	GST Summary Sheet
Audit	50C Working
Audit	Customer Sheet
Audit	GST Summary Sheet RERA
Audit	GST Summary Sheet
Audit	Eligibility Letter
Audit	Auditor Consent Letter
Direct Taxation	Eligibility Letter
Direct Taxation	Auditor Consent Letter
Direct Taxation	Eligibility Letter

<b>Direct Taxation</b>	<b>Auditor Consent Letter</b>
<b>Audit</b>	<b>Checklist for Non-Corporate Entity Audit</b>

## 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 <sup>nd</sup> 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 <sup>rd</sup> Installment FY 2025-26	15/12/2025
	3	<b>Filing of belated/revised return of income for the assessment year 2024-25 for all assessee.</b>	<b>FY 2024-25</b>	<b>31/12/2025</b>
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
	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

<b>August-2025</b>	3	Monthly Tax Payment under QRMP Scheme(PMT 06)	July 2025	25/08/2025
	1	GSTR 1 (Regular Taxpayers)	August 2025	11/09/2025
<b>September-2025</b>	2	GSTR 3B (Monthly Return)	August 2025	20/09/2025
	3	Monthly Tax Payment under QRMP Scheme(PMT 06)	August 2025	25/09/2025
<b>October-2025</b>	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
<b>November-2025</b>	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
<b>December-2025</b>	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
<b>January-2026</b>	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
<b>February-2026</b>	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 <sup>th</sup> 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 <sup>th</sup> May 2025
June-2025	DPT-3	<b>To be filed in case the company has a deposit or an exempted deposit.</b>	<b>30<sup>th</sup> June 2025</b>
September-2025	DIR-3 KYC	Form for Director KYC. Need to be filed mandatorily for every director on the Board	30 <sup>th</sup> September 2025
October-2025	ADT-1	Form for Auditor Appointment	15 <sup>th</sup> October 2025
	AOC-4	Form for filing Financials, Auditors' Report, Directors' Report, etc.	30 <sup>th</sup> 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 <sup>st</sup> October 2025 (For the period of April'24 – September'24)
November-2025	MGT-7	ROC Annual Return (Details of Shareholding, etc.)	29 <sup>th</sup> 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	<b>Yearly</b> - Tax Liability is less than INR 1,00,000/-	31/03/2025
		<b>Monthly</b> - 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
	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

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