



kcmGuide

Year End Compliances

March 2024

Contents



As we near the end of financial year 2023-24, it is the right time to have a look at all the compliances required to be undertaken from a tax and regulatory perspective. At times, accounts and tax teams find it difficult to identify the compliances to be undertaken considering the host of law that apply in their case. Like every year, KCM has summarised the immediate steps and / or compliances that corporates should undertake over the coming three months.

There could be certain compliances relating to FY 2023-24 that may have to be undertaken later as well. However, the idea of this publication is to highlight the immediate and most important compliances and activities that should be undertaken from the following perspectives:

- 01**  **Accounting** 

- 02**  **Companies Act** 

- 03**  **Indirect taxes** 

- 04**  **Direct taxes** 

- 05**  **FEMA** 



Accounting Procedures / Aspects

Coverage



- **Cutoff Procedures**

Evaluation should be done for transactions of income / expenses around the cutoff date to ensure the same are recorded in the proper period. Variance between inventory and physical stock should be reconciled and inventory valuation to be done. All interest expense / income etc. to be accrued and booked.

- **Employee benefits provisions and actuarial valuations**

Provision for march salary, calculation of TDS after collecting data relating to investments of all the employees and provision for bonus (if any), to be done. Actuarial valuations to be conducted and expense / income / liability / asset pertaining to the same to be booked.

- **Annual Reconciliation statements for FY 2023-24**

Preparation of bank reconciliation statements, reconciliation of books of accounts with GST Returns / TDS returns / 26AS etc. to avoid any mismatches to be done. The tax department in its e-verification scheme is rigorously looking into mismatches and intimations have been given to various taxpayers countrywide where mismatches have been observed with data available from third party sources. Accordingly, to the extent possible any mismatches should be reconciled within time.

- **Year-end provisions and accrual of expenses**

All MIS related activities to be completed and year end provision entries to be booked. Further, the following expenses / income to be computed and booked:

- Foreign exchange gain /loss
- Interest expense on long term/short term liabilities
- Mark to market gain / loss on forward contracts
- Provision for interest on MSME vendors
- Depreciation
- Any other expenses accrued as on 31 March 2024.

- **Payment of statutory dues**

All statutory contributions received from employee i.e., PF, ESIC etc. to be paid within due date of respective funds to avoid any disallowance under Income Tax Act. Further, any other dues payable i.e., TDS, GST, leave encashment, bonus etc. to be paid at the earliest. Such dues to be paid on or before the applicable due date of filing return to avoid any disallowance.

- **Balance confirmations**

Balance confirmation from banks, vendors etc. to be obtained and balances to be reconciled with the books of accounts.

- **Provision for income tax / deferred tax**

Income tax and deferred tax calculations to be done and provision to be made for the same.

- **Preparation of financial statements for FY 2023-24**

Financial statements to be prepared after considering all year end entries and audit adjustment entries as per the applicable accounting and reporting framework.



Companies Act Compliances

Coverage



Due date	Compliance
30 April 2024	<u>Filing Form MSME-1</u> Form MSME-1 is a half yearly return containing information with respect to payments outstanding for more than 45 days to MSME suppliers. Form MSME-1 for October 2023 to March 2024 to be filed by 30 April 2024.
30 May 2024	<u>Annual Return for LLPs</u> All registered LLPs need to submit Form 11 within 60 days of closure of financial year i.e., up to 30 May 2024 for FY 2023-24.
30 May 2024	<u>Filing Form PAS-6</u> Unlisted public companies need to file form PAS-6 to reconcile and report the details of their share capital on a half-yearly basis. The due date to file form PAS -6 for six months ended on 31 March 2024 is 30 May 2024.
30 May 2024	<u>Filing Form FC-4 (for foreign companies)</u> Every foreign company shall prepare and file annual return of the company in eForm FC-4, within 60 days from the last day of its financial year (considering last day of financial year as 31 March 2024, the due date to file form FC-4 would be 30 May 2024).
30 June 2024	<u>Filing Form DPT-3</u> DPT 3 is an annual return of deposits filed with ROC (based on the deposits or loans or advances or financial assistance received and outstanding as on 31 March 2024). The due date for filing DPT-3 for FY 2023-24 is 30 June 2024.

In addition to the above compliances, the following forms to be submitted by directors of every company in the beginning of every financial year which needs to be placed in the first board meeting:

Form DIR-8 and MBP-1

Form DIR-8: Disclosure of non-Disqualification by Director

Form MBP-1: Disclosure of Interest in other Entities by Director

**These forms are physical forms and not be submitted with the Registrar of Companies.*



Indirect Tax Compliances

Coverage



Due date	Compliance
28 March 2024	<u>Filing of GSTR-11</u> GSTR-11 is filed by persons (<i>for foreign diplomatic missions and embassies</i>) who are issued Unique Identification Number for claiming refund of taxes paid on inward supplies. GSTR-11 for February 2024 to be filed by 28 March 2024.
31 March 2024	<u>GST LUT filing for FY 2024-25</u> Letter of Undertaking (in form GST RFD -11) for FY 2024-25 must be obtained for exporting goods or service or for supply made to SEZ unit/ developer without payment of tax. The LUT is required to be obtained before issuance of invoice for such zero-rated supplies. The due date for LUT filling is 31 March 2024.
31 March 2024	<u>Issuance of invoices for FY 2023-24</u> All invoices, credit notes, and debit notes for FY 2023-24 must be issued before 31 March 2024.
31 March 2024	<u>Composition Scheme</u> If a taxpayer wishes to opt in for the composition scheme, then he can apply <i>via</i> Form GST CMP – 02 on or before 31st March 2024 for FY 2024-25. Similarly, taxpayers who wish to opt out from the composition scheme, can apply <i>via</i> Form GST CMP – 04 on or before 7 April 2024 and ITC claimed on inputs lying in form of Raw materials, WIP, finished goods stock & capital goods as on 31st March 2024 shall have to be reversed.
25 April 2024	<u>ITC-04 for goods sent to job work</u> GST ITC-04, also known as the 'Goods Sent to Job Work and Received Back' form to be filed by MSMEs by 25 April 2024 (<i>both half yearly return or annual return as applicable</i>). In case of material sent for job work, it should be verified whether the same has been returned within 1 year and capital goods within 3 years if any.
30 April 2024	<u>QRMP Scheme</u> Taxpayers having a turnover up to INR 5 crores have an option of filing return under the QRMP scheme. Last date to opt-in or opt-out from the QRMP Scheme is 30 April 2024 for the financial year 2024-25. Further PMT-06 challan for February 2024 to be paid by 25 March 2024 .
30 June 2024	<u>Updating details of Importer Exporter Code ('IEC')</u> An IEC holder shall be required to update details of IEC electronically between April to June 2024 with deadline being 30 June 2024. In case, there is no change in details, the same shall also need to be confirmed online. An IEC shall be de-activated if it not updated. within the prescribed time frame.



Indirect Tax Compliances

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In addition to the above-mentioned compliances, there are other activities which should be completed at the earliest. Some of them are mentioned below:

- **Reconciliations between various GST forms:**

Reconciliation to be made between the following to avoid any mismatches.

- Reconciliation between closing balance of Electronic Cash Ledger & and Electronic Credit Ledger and the relevant ledgers in the books of accounts.
- Reconciliation of ITC claimed as per Books vs GSTR 3B Vs GSTR 2A/2B (Consolidated for the year). All adjustments (claim or reversals) can be reported in GST returns of March 2024.

It should be ensured that there are no discrepancies between physical stock and recorded entries in the books.

- **Consideration of Aggregate Turnover of F.Y. 2023-24 for compliances of F.Y. 2024-25**

Various decision making and compliances under GST are dependent upon the Aggregate Turnover during the previous year such as GST registration, opting for Composition and QRMP schemes, applicability of E-Invoicing and Rule 86B etc. Ascertaining the turnover for the F.Y. 2023-24 would help in determining the relevant provisions applicable.

- **Reversal of ITC**

Reversal of ITC (Section 16(4))

If recipient of goods/services does not make payment to supplier within 180 days from the date of invoice, the ITC in respect of such invoices shall have to be reversed in proportion to the payment outstanding. However, ITC of such transactions can be re-availed upon payment to the vendors.

Reversal of ITC as per Rule 42 & 43

In case taxpayer is dealing in exempted & taxable supplies, the annual calculation for reversal of common ITC (after considering monthly reversal) on account of exempted supplies as per rule 42 and 43 of the CGST Rules, 2017 is required to be done and effect of any excess reversal or short reversal should be duly accounted for in GST returns for March 2024.

- **Declaration to be taken from Goods and Transport Agency (GTA) for opting to pay GST under forward charge.**

For FY 2024-25, records of GTA declarations opting for Forward Charge should be kept for justifying non-payment of RCM GST.



Direct Tax Compliances

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Due Date	Compliance
30 March 2024	<p><u>Due date for furnishing challan cum statement under section 194IA, 194IB, 194M and 194S</u></p> <p>Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, 194IB, 194M and 194S for the month of February 2024 is 30 March 2024</p>
31 March 2024	<p><u>Advance tax payment</u></p> <p>Though the last date for payment of fourth instalment of advance tax was 15 March 2024, any amount paid by way of advance tax on or before 31 March 2024 shall also be treated as advance tax paid for financial year 2023-24. Furthermore, if the default was on account of the following incomes which were accrued / received post 15 March 2024, payment of advance tax on the same by 31 March 2024 will relieve the assessee from any interest liability under section 234C of the Income Tax Act on the said incomes.</p> <ul style="list-style-type: none"> - Income from capital gains - Income from winnings, lotteries, crossword puzzles etc. - Income from business / profession where such income arises for the first time - Dividend income

Due Date	Compliance
31 March 2024	<p><u>ITR-U for FY 2020-21</u></p> <p>If any taxpayer has not filed income tax return for FY 2020-21 or has discovered that there is an error in his return which results in increase in income and tax, updated return for the financial year 2020-21 can be filed up to 31 March 2024 upon payment of additional tax and interest.</p>
31 March 2024	<p><u>Payments to micro and small enterprises as per MSME Act due by 31 March 2024</u></p> <p>The outstanding MSE (micro and small enterprises) creditors as on 31 March 2024 needs to be identified from whom goods / services were received in the last 15 days / 45 days and which have become due and are outstanding as on 31 March 2024. Payment should be made to such creditors by 31 March 2024 to ensure no disallowance is attracted under section 43B(h) of the Income Tax Act. Readers may refer to KCM Guide on "Unravelling the Impact of Section 43B(h) on MSME Payments" dated January 2024 for more details.</p>
31 March 2024	<p><u>Form 67 – Claim for FTC for FY 2022-23</u></p> <p>Form 67 to be furnished on or before 31 March 2024 for foreign income offered to tax and tax deducted and paid on such income for FY 2022-23 to claim foreign tax credit (<i>if return has been filed under section 139(1) or a belated return has been filed under section 139(4)</i>).</p>



Direct Tax Compliances

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Due Date	Compliance
31 March 2024	<p><u>Country-by-Country Report in Form 3CEAD for FY 2022-23</u></p> <p>Country-by-country report in Form No. 3CEAD for the previous year 2022-23 to be furnished by 31 March 2024 by a parent entity or the alternate reporting entity, resident in India, in respect of the international group of which it is a constituent. This would be applicable for groups whose parent entity follows April to March as their accounting year e.g.: India, Japan etc.</p> <p>Country-by-country report in Form No. 3CEAD for a reporting accounting year (assuming reporting accounting year is 1 April 2022 to 31 March 2023) to be furnished by 31 March 2024 by a constituent entity, resident in India, in respect of the international group of which it is a constituent if the parent entity is not obliged to file report under section 286(2) or the parent entity is resident of a country with which India does not have an agreement for exchange of the report etc.</p>
14 April 2024	<p><u>Due date for issue of TDS certificates for tax deducted under section 194IA, 194IB, 194M and 194S</u></p> <p>Due date for issue of TDS Certificate for tax deducted under section 194-IA, 194IB, 194M and 194S for the month of February 2024 is 14 April 2024.</p>

Due Date	Compliance
15 April 2024	<p><u>Furnishing Form 15CC</u></p> <p>Quarterly statement in respect of foreign remittances (to be furnished by authorized dealers) in Form No. 15CC for quarter ending March 2024 by 15 April 2024</p>
30 April 2024	<p><u>Due date for furnishing challan cum statement under section 194IA, 194IB, 194M and 194S</u></p> <p>Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, 194IB, 194M and 194S for the month of March 2024 is 30 April 2024.</p>
30 April 2024	<p><u>Deposit of TDS</u></p> <p>Due date for deposit of TDS by an assessee other than office of government for the month of March 2024 is 30 April 2024. It is also due date for deposit of TDS for the period January 2024 to March 2024 when Assessing Officer has permitted quarterly deposit of TDS under section 192, 194A, 194D or 194H.</p>
30 April 2024	<p><u>Furnishing Form 15G / 15H</u></p> <p>Due date for uploading declarations received from recipients in Form 15G or Form 15H for the quarter ended 31 March 2024 is 30 April 2024. Form 15G / 15H are self-declaration forms submitted to the bank for requesting non-deduction of TDS on interest income provided relevant conditions are fulfilled.</p>



Direct Tax Compliances

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Due Date	Compliance
30 April 2024	<p><u>Furnishing Form 61</u></p> <p>Any person (not a company or a firm) not having a PAN, who enters into transactions (e.g.: purchase of mutual funds, purchase / sale of immovable properties etc.) as specified in Rule 114B are required to furnish declaration in Form 60. Every person specified in Rule 114C (e.g.: trustee of mutual fund, seller of immovable property etc.) and who are required to have their accounts audited under section 44AB are required to submit a statement in Form 61 if they have received any declaration in Form 60. Due date for e-filing of a declaration in Form 61 containing particulars of Form 60 received during the period from 1 October 2023 to 31 March 2024 is 30 April 2024</p>
30 May 2024	<p><u>Furnishing Form 49C</u></p> <p>Due date for submission of a statement (in Form No. 49C) by non-resident having a liaison office in India for the financial year 2023-24 is 30 May 2024</p>
31 May 2024	<p><u>Form 61A – Statement of specified financial transactions</u></p> <p>Statement of specified financial transactions to be submitted in Form 61A for specified financial transactions entered in FY 2023-24 by 31 May 2024. Rule 114E provides for different transactions (e.g.: cash deposits, dividends, share issue etc.) which needs to be reported in the said form and specifies the person liable for reporting the said transactions.</p>

Due Date	Compliance
31 May 2024	<p><u>Form 61B – Statement of reportable account</u></p> <p>Statement of reportable account to be submitted in Form 61B for calendar year 2023 by 31 May 2024 by reporting financial institutions. This is basically for FATCA and CRS compliance</p>
31 May 2024	<p><u>Furnishing TDS Return</u></p> <p>Due date for furnishing TDS Returns for quarter ended 31 March 2024 is 31 May 2024.</p>
15 June 2024	<p><u>Furnishing Form 16</u></p> <p>Certificate of tax deducted at source to be furnished to employees in respect of salary paid and tax deducted during financial year 2023-24 in Form 16 by 15 June 2024.</p>
30 June 2024	<p><u>Furnishing statement of Equalisation Levy</u></p> <p>Due date of furnishing Equalisation Levy Statement (Form-1) for FY 2023-24 is 30 June 2024.</p>



FEMA Compliances

[Coverage](#)

- **FLA (Annual Return to RBI)**

Companies with Foreign Direct Investment (FDI) or who has made Overseas Direct Investment (ODI) are required to submit the Foreign Liabilities and Assets (FLA) return by 15 July 2024 for FY 2023-24 based on provisional (unaudited) financial statements. A revised FLA to be filed post audit of financial statements.

- **Annual Activity Certificate (for branch or liaison office / project office)**

Annual Activity Certificate (AAC) as at the end of 31 March 2024, along with the audited Balance Sheet has to be submitted by Branch Offices / Liaison Offices to the designated AD Category - I bank as well as Director General of Income Tax (International Taxation), New Delhi. The project office needs to submit the AAC only to the designated AD Category -I bank.

About **kcmGuide**

kcmGuide is a special publication prepared by area specific experts at K C Mehta & Co LLP. This publication is intended to provide overall guidance on select topics / areas that may be of interest to readers. The idea is to provide to the reader an overall perspective on a particular topic in the form of a Guide which could serve as a referencer while practically dealing with the topic.

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