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FORTNIGHTLY PROFESSIONAL DIGEST

DC ProPulse

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FREE TOOLS FROM DC · BUILT FOR MEMBERS IN PRACTICE

FREE TOOL

44AB Communiques

TAX AUDIT LETTERS · ONE CLICK · ONE WORD FILE

Generates every tax audit letter for a client in a single Word file, in a few clicks, with wording you can edit. It works offline, so client data never leaves your computer.

- Appointment and engagement letters
- Bank letters and DSC authorisation
- TAR and ITR consent
- Communication to previous auditor (NOC)
- Management representation

Download the file first, then open it in Chrome or Edge. It will not run if opened directly in Google Drive. Best used on a computer.

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FREE TOOL

NCE Template

EXCEL · FINANCIAL STATEMENTS · NON-CORPORATE ENTITIES

A ready Excel format for preparing the financial statements of non-corporate entities, based on the format in ICAI's Guidance Note on Financial Statements of Non-Corporate Entities.

- Structured Excel workbook, ready to use
- Format based on the ICAI Guidance Note
- Free to use, with improvements planned in the next edition

Your review counts: share any shortcoming or suggested change, and it will be considered for the next edition.

Get the template | Details

IN THIS ISSUE

TOOL **44AB Communiques** — all tax audit letters in one Word file ›
TOOL **NCE Template** — financial statements for non-corporate entities ›
01 ICAI — free Class 3 DSC for members ›
02 TDS on JDA — 194-IC / Clause 393(1) ›
03 Delhi HC quashes Rs. 3.91 crore demand ›
04 MCA extends AOC-4 and MGT-7 due dates ›
05 SBI reports customer data incident ›
06 ICAI Sustainability Reporting Maturity Model ›

01

ICAI · MEMBER BENEFIT

ICAI Offers Free Class 3 Individual Signing DSC with 2-Year Validity

ICAI's Beneficiary Schemes Directorate, through IDSign, is offering members in practice a Class 3 Individual Signing Digital Signature Certificate with two-year validity, at no certificate charge, under the 'No Token' option.

- Apply online at **ApplyDSC.idsign.app**. Verify your mobile by OTP and enter your name (as per PAN), date of birth and email.
- Select Indian | Individual | Sign, 2-year validity, No Token, then complete email OTP, KYC and online OTP validation.
- Enter your **ICAI Registration Number in the Remarks field**. ICAI needs it to approve the request.
- Record and upload the video verification, and note the reference number.
- Keep soft copies ready: PAN, national identity card, passport-size photo, membership number, mobile and email.
- Support: IDSign 1800-572-1734 (support.dsc@idsignca.com); ICAI Beneficiary Schemes 0120-3045994 (bs@icai.in).

PRACTICE POINTER

Check when your current DSC expires and apply before the year-end filing peak. No last date has been announced, so do not wait for one.

Read full article @ cadcjain.in

> It is not the critic who counts; not the man who points out how the strong man stumbles, or where the doer of deeds could have done them better. The credit belongs to the man who is actually in the arena, whose face is marred by dust and sweat and blood; who strives valiantly...
>
> THEODORE ROOSEVELT · 'CITIZENSHIP IN A REPUBLIC', PARIS, 1910

02

INCOME TAX · TDS

TDS on Monetary Consideration under JDA — Section 194-IC / Clause 393(1)

Section 194-IC requires the developer to deduct tax at **10%** on monetary consideration paid to a landowner under a registered Joint Development Agreement covered by Section 45(5A). Under the Income-tax Act, 2025 the provision moves to Clause 393(1), and Section 45(5A) becomes Section 67(14), with no change in substance.

Only individual and HUF landowners are covered. There is no threshold, so TDS applies from the first rupee, at the earlier of credit or payment. A mere accounting entry triggers it.

- **Covered:** lump sums, monthly compensation, hardship allowance, rent for temporary accommodation, advances and token money, corpus fund, and reimbursements beyond actual cost.
- **Not covered:** the constructed-area share, refundable security deposits and actual-cost reimbursements backed by proof.
- Without PAN, Section 206AA raises the rate to 20%.
- Deposit by the 7th of the following month (30 April for March), file Form 26Q quarterly and issue Form 16A.

PRACTICE POINTER
Obtain each co-owner's PAN and split the TDS by share. Landowners should track the credits in Form 26AS and AIS, since TDS may appear years before the capital gain is taxed.

Read full article @ cadcjain.in

03

INCOME TAX · CASE LAW

Delhi High Court Quashes Rs. 3.91 Crore Tax Demand

In Lalit v. Union of India (W.P.(C) 9365/2025, decided 6 October 2026), transactions of about Rs. 49.49 crore were reported against the petitioner's PAN. The Assessing Officer treated them as turnover, estimated income at 8% and raised a demand of about Rs. 3.91 crore. The Court quashed the assessment order dated 17 March 2025.

- Portal data from risk-management systems and Form 26AS cannot replace independent inquiry.
- Once the taxpayer denied the transactions, the AO should have verified the link, at least through Section 133(6).
- The adverse material was not supplied, so the hearing was not meaningful.
- The 20% pre-deposit (about Rs. 78 lakh) made the appeal remedy impractical.
- Fresh proceedings remain open on cogent evidence, subject to limitation.

PRACTICE POINTER
Where a client disowns AIS or 26AS entries, deny them in writing, ask for the underlying material and request verification from the reporting entity. That record is what wins cases like this.

Read full article @ cadcjain.in

04

CORPORATE LAWS · MCA

MCA Extends Due Dates for AOC-4 and MGT-7 Filing

By General Circular No. 05/2026 dated 24 October 2026, the Ministry of Corporate Affairs has extended the time for filing financial statements and annual returns for FY 2025-26 without additional fees.

- **AOC-4, AOC-4 (CFS), AOC-4 (XBRL) and the NBFC (Ind AS) variants:** up to 31 December 2026.
- **MGT-7 and MGT-7A:** up to 31 January 2027.
- Filings after these dates attract full additional fees, counted from the original due date.
- The circular does not extend the statutory AGM timelines.

PRACTICE POINTER
The relief is for filing only. Where an AGM was delayed, the default under the Act stands, so check AGM compliance separately before relying on the extension.

Read full article @ cadcjain.in

05

BANKING · CYBER SECURITY

SBI Reports Data Loss Incident Involving Customer Information

In a disclosure to BSE and NSE on 21 October 2026 under Regulation 30 of the SEBI (LODR) Regulations, SBI reported suspected exposure of customer data on the dark web. It had received alerts on 16 October from its threat-intelligence provider, the Defence Cyber Agency and CERT-In.

A preliminary review of about 3.75 lakh records found 3,897 customer records containing personal data such as names, mobile numbers, dates of birth, addresses, and branch and loan-lead details. SBI says there is no material impact on its operations. It has engaged a CERT-In-empanelled agency and advised customers to rely only on official communication.

PRACTICE POINTER
Leaked names, numbers and loan details make phishing calls very convincing. Alert clients and staff to verify any 'bank' call or message through official channels before acting.

Read full article @ cadcjain.in

06

SUSTAINABILITY · ICAI

Advancing Sustainability Reporting Through Structured Assessment

ICAI has released its Sustainability Reporting Maturity Model (SRMM), a structured 300-point self-assessment framework. It helps entities assess, benchmark and strengthen their sustainability reporting, and is aligned with BRSR and global frameworks.

- **Version 3.1** covers the manufacturing sector and **Version 3.2** the service sector.
- Publications: **Manufacturing (V3.1)** and **Service (V3.2)**.
- Excel self-assessment utilities: **Manufacturing** and **Service**.

PRACTICE POINTER
For listed and BRSR-reporting clients, run the self-assessment as a readiness check before reporting or assurance work.

Read full article @ cadcjain.in

> An ounce of prevention is worth a pound of cure.
>
> BENJAMIN FRANKLIN · 1735

DATES TO WATCH

21 Nov 2026	Return of income for audit cases, AY 2026-27
31 Dec 2026	AOC-4 (all variants) for FY 2025-26 without additional fees
31 Jan 2027	MGT-7 / MGT-7A for FY 2025-26 without additional fees
Monthly	TDS under 194-IC by the 7th of the next month (30 April for March)

FROM THE EDITOR'S DESK

Tools that give time back

This fortnight I am happy to share two tools I have built for our own practice and now offer free to members: 44AB Communiques, which turns a client's tax audit letters into one Word file, and the NCE Template for non-corporate financial statements. Kindly use them, and tell me what would make them better. The Delhi High Court has again reminded the department that PAN-linked data is not proof without inquiry, and the SBI incident shows why every office must guard client data. The MCA extension gives room for annual filings: let us use it well.

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> All the powers in the universe are already ours. It is we who have put our hands before our eyes and cry that it is dark.
>
> SWAMI VIVEKANANDA

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- Recent judgments, circulars and notifications
- Practice tips and checklists that save time
- Ideas for tools or templates
- Feedback on this issue

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> Do the right thing. It will gratify some people and astonish the rest.
>
> MARK TWAIN

Summaries are for quick reference only. Kindly refer to the full article and the official notification or circular before acting.