SEPTEMBER 2026

LUNAWAT BULLETIN

WHAT'S INSIDE?

LUNAWAT & CO

MARKET WATCH

Sensex :	31/08/2026:	76957.27	Nifty :	31/08/2026;	24080.40
	31/07/2026:	78094.00		31/07/2026:	24383.60

AROUND THE GLOBE

GOVT ACHIEVES 78 PC OF FY27 DIVESTMENT, ASSET MONETISATION BUDGET TARGET IN APR-AUG

The government has achieved about 78% of its ₹80,000-crore FY27 disinvestment and asset monetisation target within five months. It has raised ₹62,124 crore so far, led by a ₹31,515-crore LIC stake sale, while the strategic sale of IDBI Bank remains on the table.

INDIA WANTS GLOBAL FACTORIES, BUT ITS OWN QUALITY CHECKS MAY BE PUTTING INVESTORS OFF: GTRI

Concerns have surfaced among Japanese enterprises regarding India's compulsory BIS certification rules. A newly released study proposes a significant revamp of the QCO framework. The existing regulations are leading to considerable delays and inflated compliance costs for manufacturers, adversely impacting smaller businesses in India and disrupting supply chains. Experts recommend implementing a risk-based regulatory framework to modernize and simplify quality control processes.

MAHARASHTRA SUGARCANE FARMERS SEEK HIGHER PRICES AFTER SUGAR RALLY

Sugarcane farmers in Maharashtra are demanding higher prices for the 2025-26 season. This agitation follows a significant increase in sugar prices over recent months. Farmer organizations believe sugar mills should share increased profits with growers. Several farmer associations have submitted their demands to the state sugar commissionerate. Growers across the state seek better payment for sugarcane sold to mills.

INFRASTRUCTURE PROJECTS SEE COST OVERRUN OF RS 3.4 LAKH CR: MOSPI

Ongoing infrastructure projects show a Rs 3,40,504 crore cost overrun on projects over Rs 150 crore. Over 1,700 projects are monitored, with revised costs significantly higher than original estimates. Many projects are progressing well, with over half showing substantial physical and financial completion. The Transport and Logistics sector leads in project numbers and revised cost estimates.

COMPLIANCE DUE DATES

Due Date	Relates to	Particulars
07.09.2026 (Monday)	**TDS/TCS/ Income Tax**	• Deposit tax collected (TCS) for the month of August, 2026 • Deposit tax deducted by office of government for the month of August 2026. • Submission of declaration in Form-127 for no TCS as obtained from manufacturer to the CIT/CCIT.
07.09.2026 (Monday)	**FEMA**	• Report actual ECB transactions through Form ECB-2 return.
10.09.2026 (Thursday)	**GST**	• GSTR-7 by TDS Deductor for the period of August 2026. • GSTR-8 by TCS Collector (E Commerce Operator) for the period of August 2026.
11.09.2026 (Friday)	**GST**	• GSTR-1 (Statement for furnishing details of outward supplies) for August 2026 by taxpayers whose aggregate turnover exceeds Rs. 5 crores in the previous FY or those who have not opted for QRMP.
13.09.2026 (Sunday)	**GST**	• GSTR-5 by Non-Resident Taxpayers (13th of the next month or within 7 days after the expiry of the registration, whichever is earlier) • GSTR-6 by Input Service Distributor for month of August 2026. • GSTR-IFF (Optional): to furnish B2B Supplies for the month of August 2026 by taxpayers who opted for QRMP Scheme.
14.09.2026 (Monday)	**Income Tax**	• Issue of certificate in Form No. 132 (Income-tax Rules, 2026) under section 395(4) of the Income-tax Act 2025 for tax deducted at source under section 393(1) [Table Sl. No. 2(i), 3(i), 6(ii) & 8(vi)] of the Income-tax Act, 2025 in the month of July, 2026

COMPLIANCE DUE DATES

Due Date	Relates to	Particulars
15.09.2026 (Tuesday)	**PF/ESI**	• Filing of ECR & challan deposit of ESI & PF collected during August 2026.
15.09.2026 (Tuesday)	**Income Tax**	• Second instalment of advance tax for the Tax Year 2026-27. • Statement in Form 1 (Income-tax Rules, 2026) by the stock exchange for the month of August 2026, in respect of transactions in which client codes have been modified after registering in the system. • Furnishing Form No. 137 (Income-tax Rules, 2026) by an office of the Government where TDS/TCS for the month of August, 2026 has been paid without the production of a challan.
20.09.2026 (Sunday)	**GST**	• GSTR-3B for the month of August 2026 by taxpayers whose aggregate turnover exceeds Rs. 5 Crore in the previous FY or those who have not opted for QRMP. • GSTR-5A by OIDAR services provided for month of August 2026. • GSTR-1A: To add or amend particulars, other than GSTIN, furnished in GSTR-1 of the same tax period. *(It can be filed after filing GSTR 1 & till the filing of GSTR-3B of the same tax period)*
25.09.2026 (Friday)	**GST**	• PMT-06 Monthly tax payment for August 2026 under QRMP Scheme
30.09.2026 (Wednesday)	**MCA**	• File Form FC-3 stating the annual accounts of foreign companies • Last date to hold annual general meeting for the companies for the FY 2025-26.

COMPLIANCE DUE DATES

Due Date	Relates to	Particulars
30.09.2026 (Wednesday)	**Income Tax**	• Challan-cum-statement in Form No. 141 (Income-tax Rules, 2026) in respect of deduction of tax under section 393(1) [Table Sl. No. 2(i), 3(i), 6(ii) & 8(vi)] of the Income-tax Act, 2025 for the month of August 2026. • Audit report in Form No. 10B/10BB (Income-tax Rules, 1962) by a fund or trust or institution or any university or other educational institution or any hospital or other medical institution • Report/statement to be furnished for PY 2025-26, if the assessee is required to submit return of income on October 31, 2026:- ◦ Filing of audit report under section 44AB (Income-tax Act, 1961) for the assessment year 2026-27 in the case of a corporate-assessee or non-corporate assessee. ◦ Audit report in Form No. 3AC (Income-tax Rules, 1962) by assessee claiming deduction under section 33AB (Income-tax Act, 1961) for the previous year 2025-26 ◦ Report of audit of the accounts of an assessee, other than a company or a co-operative society, in Form No. 3AE (Income-tax Rules, 1962) under section 35D(4) (Income-tax Act, 1961) for the previous year 2025-26. ◦ Audit report in Form No. 3AD (Income-tax Rules, 1962) by assessee claiming deduction under section 33ABA (Income-tax Act, 1961) for the previous year 2025-26. ◦ Report of audit of the accounts of an assessee, other than a company or a co-operative society, in Form No. 3AE (Income-tax Rules, 1962) under section 35E(6) (Income-tax Act, 1961) for the previous year 2025-26

COMPLIANCE DUE DATES

Due Date	Relates to	Particulars
30.09.2026 (Wednesday)	**Income Tax**	- Furnishing audit report in Form No. 3AC (Income-tax Rules, 1962) by assessee claiming deduction under section 33AB (Income-tax Act, 1961) for the previous year 2025-26 - Furnishing of report of audit of the accounts of an assessee, other than a company or a co-operative society, in Form No. 3AE (Income-tax Rules, 1962) under section 35D(4) (Income-tax Act, 1961) for the previous year 2025-26 - Furnishing audit report in Form No. 3AD (Income-tax Rules, 1962) by assessee claiming deduction under section 33ABA (Income-tax Act, 1961) for the previous year 2025-26. - Furnishing report in Form No. 10DA (Income-tax Rules, 1962) certifying the claim for additional employee cost under section 80JJAA (Income-tax Act, 1961) during the previous year 2025-26. - Filing of audit report under section 44AB (Income-tax Act, 1961) for the assessment year 2026-27 in the case of a corporate-assessee or non-corporate assessee - Furnishing of the report in Form No. 3CEA (Income-tax Rules, 1962) relating to computation of capital gains in case of slump sale taxable under section 50B (Income-tax Act, 1961). - Furnishing of report of audit of the accounts of an assessee, other than a company or a co-operative society, in Form No. 3AE (Income-tax Rules, 1962) under section 35E(6) (Income-tax Act, 1961) for the previous year 2025-26.

COMPLIANCE DUE DATES

Due Date	Relates to	Particulars
30.09.2026 (Wednesday)	**Income Tax**	◦ Furnishing of the audit report in Form No. 10-IL (Income-tax Rules, 1962) by the specified fund, being the investment division of an offshore banking unit, for the purpose of exemption under section 10(4D) (Income-tax Act, 1961) • Application in Form No. 171 (Income-tax Rules, 2026) for updating details by a person who is already registered as an income-tax practitioner under the Income-tax Act, 1961, holding a valid certificate of registration as on March 31, 2026. • Furnishing of challan-cum-statement in Form No. 141 (Income-tax Rules, 2026) in respect of deduction of tax under section 393(1) [Table Sl. No. 2(i), 3(i), 6(ii) & 8(vi)] of the Income-tax Act, 2025 for the month of August 2026. • Furnishing of Audit report in Form No. 10B/10BB (Income-tax Rules, 1962) by a fund or trust or institution or any university or other educational institution or any hospital or other medical institution

INCOME TAX

CBDT NOTIFIES FOREIGN ASSETS OF SMALL TAXPAYERS – DISCLOSURE SCHEME RULES, 2026 (FAST- DS)

The CBDT has notified the FAST – DS Rules, 2026, which shall come into force from 16 August 2026. The valuation date under the Rules is 31 March 2026 and the last date for filing the form is 31 December 2026.

The Scheme provides an opportunity to eligible taxpayers to disclose specified foreign assets and foreign income subject to prescribed limits and payment conditions.

- **Undisclosed foreign assets / foreign income up to Rs. 1 crore:** The aggregate value of undisclosed foreign assets and/or undisclosed foreign income should not exceed **Rs. 1 crore**. The effective amount payable is **60%**.
- **Specified foreign assets up to Rs. 5 crore:** The Scheme also covers foreign assets acquired from income earned abroad while the assessee was non-resident, or from income already offered to tax in India, where such assets were not disclosed in the relevant return schedules. The aggregate value of such assets should not exceed **Rs. 5 crore** and the prescribed fee is **Rs. 1 lakh**.

GOODS & SERVICES TAX

PROPOSED E-WAY BILL ENHANCEMENTS CONTINUE TO REMAIN ON HOLD

Taxpayers may have received earlier communications regarding proposed changes to the E-Way Bill system, including:

- Mandatory capture of Ship-to GSTIN in specified Bill-to/Ship-to transactions; and
- Voluntary closure of E-Way Bills after completion of delivery.

These changes were originally proposed to be implemented from 1 August 2026.

However, GSTN issued Advisory No. 668 dated 29 July 2026, keeping the proposed enhancements in abeyance until further notice.

Accordingly, the earlier proposed changes should not be treated as implemented from 1 August 2026.

IMPORTANT AUGUST 2026 DEVELOPMENT ON CORPORATE GUARANTEES

During August 2026, the Gujarat High Court delivered an important ruling concerning the GST treatment of corporate guarantees.

The Court examined the constitutional validity and operation of Rule 28(2) of the CGST Rules and the related valuation mechanism.

Among other findings, the Court held that GST could not be imposed under Rule 28(2) on corporate guarantees for periods prior to 26 October 2023, when the relevant provision came into force.

The Court also read down the expression “whichever is higher” in Rule 28(2), in order to prevent an unduly harsh or unreasonable valuation outcome.

For guarantees issued before 26 October 2023 but continuing thereafter, the Court considered the position for the period after the provision became effective separately.

COMPANY LAW

MCA NOTIFIES THE COMPANIES (INDIAN ACCOUNTING STANDARDS) AMENDMENT RULES, 2026

On August 12, 2026, the MCA has introduced key updates to the Companies (Indian Accounting Standards) Rules. These rules apply to annual reporting periods beginning on or after April 1, 2026 (FY 2026-27).

New accounting and disclosure rules cover nature-dependent electricity contracts like solar and wind Power Purchase Agreements (PPAs) under Ind AS 107 and Ind AS 109.

This update refine the classification and measurement of financial assets and liabilities, including ESG and sustainability-linked loans and explains how to derecognize financial liabilities when paid through digital or electronic payment systems, these rules clarify how to assess control and evaluate de facto agents and these changes update cash flow reporting for investments in subsidiaries, joint ventures, and associates accounted for at cost.

LUNAWAT UPDATE

Articles & Presentations

During August 2026 , CA Pramod Jain gave following presentations:

- PPT on Practical Aspects of Tax Audit made at:-
  - ICAI - Nehru Place CPE Study Circle (NIRC)
  - ICAI - Sonepat Branch (NIRC)
  - ICAI - Gwalior Branch (CIRC)
  - ICAI - Rohini CPE Study Circle (NIRC)
  - ICAI - Patna Branch (CIRC)
  - ICAI - Ludhiana Branch (NIRC)
- Presentation on Critical Issues in Finance Act 2026, IT Act 2025 made at ICAI - Bhopal Branch (CIRC)
- Presentation on Critical Issues in Tax Audit made at ICAI - Pusa Road CPE Study Circle (NIRC)
- Presentation on Finalization of Financial Statements for Corporates & Non-Corporates for Tax audit made at Malviya Smriti Bhawan organised by Professional Forum, Delhi.
- Presentation on Tax Audit of Non- Corporates made at ICAI - Indore Branch (CIRC)
- Presentation on Practical aspects of Tax Audit & CARO 2020 applicability made at ICAI - Muzaffar Nagar Branch (CIRC)

During August 2026 , CA Rajesh Saluja gave following presentations:

- Training session of Finance for Non Finance at HMEL.
- Training session of Finance for Non Finance at BCAL.

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