

F No from Income Tax POV

↓
Normal Business Income

Loss

Profit

No TA

Tax Audit

No TA

↓
Claim Loss
in ITR-3

↓
Consult to CA

↓
File ITR 3/4
without Audit

Turnover = Total of favourable & unfavourable +
premium receive

Considerable Profit = 6% of Turnover

Tax Audit vs 4MAB in case of FNO

Turnover upto 10 cr

Turnover > 10 cr

Salary Individual

Business Individual

Audit Mandatory

No Tax Audit

Check applicability of clause (c)

assuming assessee have only filed ITR-1 or 2 in PY

Not Applicable

Applicable

No Tax Audit

Audit Mandatory

1.5 cr

Clause (e) of sec 44 AB

(600,000)

Sec 44AD(4) +

Income exceed the maximum amount which is not chargeable to tax

2,50,000

Lock out period from presumptive taxation (5 years)

Both of the above conditions are required to be fulfill for applicability of clause (e) of sec 44AB