

# KrayMan<sup>®</sup>

*Demystifying Complexities*

## **TAX EDGE**

**Monthly Tax &  
Regulatory Updates**

**Tax • Regulatory • Assurance • Legal**

**September 2024**

**[www.krayman.com](http://www.krayman.com)**

# Contents

**1**

**Goods & Services Tax ('GST')**

**2**

**Direct Tax**

**3**

**Corporate Law & Regulatory**

**4**

**Compliance Calendar**

# Goods & Services Tax (‘GST’)



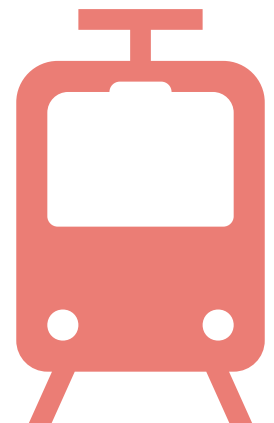
## GST revenue collection for August 2024 Rs. 1,74,962 crore (10% higher than GST revenue in August 2023)

The gross GST revenue collected in the month of August 2024 is Rs. 1,74,962 crore as below:

IGST (Integrated Goods and Services Tax)	Rs. 93,621 Crore
CGST (Central Goods and Services Tax)	Rs. 30,862 Crore
SGST (State Goods and Services Tax)	Rs. 38,411 Crore
Compensation cess	Rs. 12,068 Crore
<b>Total</b>	<b>Rs. 1,74,962 Crore</b>

The gross GST collection for Financial Year 2024-25 till August 2024 stood at Rs. 9.14 lakh crore, representing a 10.1% year-on-year growth, driven by a strong increase in domestic transactions (11.30%) and marginal increase in imports (6.5%). After considering refunds, the net GST revenue in the FY 2024-25 till August 2024 stands at Rs.8.06 lakh crore, reflecting a growth of 10.2% compared to the same period last year.

Please [Click Here](#) to read the revenue report dated 1 September 2024 released by the GST Network.



## Advisory on Archival of GST Returns data on GST portal

Section 39(11) of the CGST Act, 2017, implemented with effect from 1 October 2023 onwards vide Notification No. 28/2023 – CT dated 31 July 2023, provides that taxpayers shall not be allowed file their GST returns after the expiry of 3 years from the due date of furnishing the said return.

Further, as per GST portal data policy, data for view of taxpayer to be retained for 7 years only. Therefore, the same data policy is being implemented on the GST portal. Thus, return data will not be available to view beyond 7 years for taxpayers.

Accordingly, on 1 August 2024 return filed for July 2017 has been archived and on 1 September 2024, data for August 2017 has been archived. Further, this data archival is going to be a monthly activity. Hence on 1 October 2024, data of September 2017 shall be taken down from the GST portal and so on.

Taxpayers have been advised by GST Network to download their relevant data from the GST portal for any future reference, if required.

Please [Click Here](#) to read the advisory dated 24 September 2024.

## Invoice Management System (IMS) introduced by GST Network (GSTN) along with draft manual

### Background

GSTN is developing a new functionality viz., the IMS to streamline the process of invoice reconciliation for taxpayers. This functionality is meant to facilitate the matching of invoices received from and reported by the suppliers. IMS would enable a taxpayer to accept, reject or keep it pending for subsequent availment of Input Tax Credit (ITC). The functionality would be available to taxpayers from 1 October 2024 onwards.

## Salient features of IMS functionality

- Once the suppliers save any invoice in Form GSTR-1 (outward supply return) / Invoice Furnishing Facility (IFF) / Form GSTR-1A (amendment to Form GSTR-1), the same would be reflected in the IMS dashboard for further action by the recipient

IMS Dashboard (Inward Supplies) - Accepted Records (B2B)

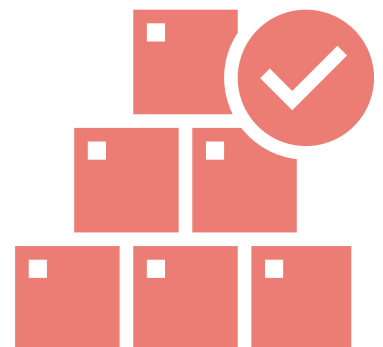
Records Per Page: 10 | Display/Hide Columns: - | Search: | Filter: ▼

S.No.	GSTIN of Supplier *	Trade/ Legal Name *	Invoice Number *	Invoice Type *	Accept	Reject	Pending	Status
1	11IMSCC2941N12H	GSTN	AAB1	Regular	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Accept
2	24MAYAS010031Z6	GSTN	INV-001	Regular	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Accept
3	24KLJIP1218A1ZS	GSTN	test001	Regular	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Accept
4	24KLJIP1218A1ZS	GSTN	Test002	Regular	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Accept

Buttons: BACK TO SUMMARY | DOWNLOAD EXCEL | RESET | SAVE

- The recipient may either accept or reject an invoice or keep it pending in the system. This action can be taken from the time of saving records in Form GSTR-1/ IFF/ Form GSTR-1A (by the supplier / taxpayer) till the time the recipient files Form GSTR-3B. If no action is taken on an invoice in IMS, then it will be deemed to be accepted and will move to Form GSTR-2B as an accepted invoice
- In case the supplier / taxpayer (before filing Form GSTR-1) amends the details of the saved invoice, the amended invoice will replace the original invoice irrespective of the action taken by the recipient on the original invoice
- If the supplier / taxpayer (after filing Form GSTR-1) amends the details of the saved invoice through Form GSTR-1A, then the same will also flow to the IMS. However, the corresponding ITC in respect of the amended invoice will flow to Form GSTR-2B of the recipient in the subsequent month

- Based on the actions taken by the taxpayer, the invoices / records can be classified as follows:
  - ✓ *Accept*: Accepted records will become part of 'ITC Available' section of respective Form GSTR 2B. GST on accepted records will auto-populate in Form GSTR 3B as eligible ITC
  - ✓ *Reject*: Rejected records will become part of 'ITC Rejected' section of respective GSTR 2B. ITC of rejected records will not auto-populate in Form GSTR 3B
  - ✓ *Pending*: Pending records will not become part of Form GSTR 2B and Form GSTR 3B. Such records will remain on IMS dashboard till the time same is accepted or rejected. 'Pending' action shall not be allowed in following scenarios:
    - (a) Original Credit note
    - (b) Upward amendment of the credit note irrespective of the action taken by recipient on the original credit note
    - (c) Downward amendment of the credit-note if original credit note was rejected by recipient
    - (d) Downward amendment of Invoice/ Debit note where original Invoice/ Debit note was accepted by recipient and respective GSTR 3B has also been filed.



Below is a screenshot of IMS dashboard showing summary of all inwards records and action taken thereon:

Dashboard > Returns > IMS Dashboard > Inward Supplies

English

**Invoice Management System (IMS) Dashboard - Inward Supplies** [VIEW ADVISORY](#) [HELP](#)

GSTIN - Legal Name - Trade Name - GSTN

All other ITC Inward Supplies from ISD Import of Goods

All other ITC - Total 676 Records

S.No.	Heading	Number of Records			
		No Action	Accepted	Rejected	Pending
I	B2B - Invoices	6	4	5	3
II	B2B - Invoices (Amendments)	5	2	2	3
III	B2B - Debit Notes	342	0	1	2
IV	B2B - Debit Notes (Amendments)	2	1	2	1
V	B2B - Credit Notes	248	3	3	0
VI	B2B - Credit Notes (Amendments)	2	5	4	0
VII	Eco [9(5)] Invoices	7	3	5	3
VIII	Eco [9(5)] Invoices (Amendments)	3	5	1	3

[BACK TO DASHBOARD](#) [DOWNLOAD IMS DETAILS \(EXCEL\)](#) [COMPUTE GSTR-2B](#)

Please [Click Here](#) to read the complete advisory on IMS dated 3 September 2024.

Further, the GSTN has issued a draft manual explaining the detailed step wise procedure with screenshots from the GST portal to guide the taxpayers for using the facility. Please [Click Here](#) to read the draft manual released on 17 September 2024.

## Frequently Asked Questions (FAQs) on IMS

Following the introduction of IMS, GSTN has issued responses to a set of 34 FAQs as below:

- What is IMS, how to access it and when will it be made available to taxpayers
- What all records will be available in IMS for taking an action
- What will happen to the accepted and rejected record
- When will the documents be flown to IMS
- When can the recipient taxpayer take action on a record
- What all documents will not be made available in IMS but will be part of GSTR-2B
- Who will have access to IMS functionality
- What are the actions that can be taken on IMS



- Are there any invoices/records where pending action is not allowed in IMS
- Is it possible to take actions multiple time on a document
- What happens to the original record if the same record is amended by the supplier
- What will happen to documents on which taxpayers has taken an action on IMS
- Which documents will be considered for Form GSTR-2B generation
- What if action has been taken on a document in saved status but the same is edited / changed by the supplier before filing his Form GSTR-1
- Will Reverse Charge document received from registered suppliers also form part of IMS
- What all will a taxpayer be able to view on IMS
- What happens if recipient rejects a record
- What will happen to the documents in IMS on filing of Form GSTR 3B by recipient
- What will happen to the documents kept pending in IMS
- Is it possible to download all the data available in IMS
- What is draft Form GSTR 2B
- Is it possible to take any action after generation of draft Form GSTR 2B
- Is there any scenario where draft Form GSTR 2B will not be generated by system on 14th of subsequent month
- How many times can Form GSTR 2 be regenerated
- What about Form GSTR-2B for quarterly taxpayers
- What will happen to Form GSTR 2A
- Is it mandatory to re-compute Form GSTR 2B
- How to take an action on records available on IMS dashboard
- What will happen if the recipient rejects the Tax Invoice or Debit Note for the supplies of Financial Year 2023-24 which was eligible for Form GSTR 2B of October 24, given the deadline to avail the ITC by 30 November
- Can a supplier amend Forward Charge Mechanism (FCM) invoice to Reverse Charge Mechanism (RCM) invoice and what will the impact on the ITC
- Can the place of supply be changed by the supplier in Form GSTR 1 and what will be the impact on the ITC
- What will happen if the recipient rejects the original Credit Note or upward amended Credit Note

Please [Click Here](#) to read the FAQs issued on 22 September 2024.

## Amendments giving effect to the recommendations of 54th GST Council meeting held on 9 September 2024 at New Delhi

The 54th Meeting of the GST Council was held on 9 September 2024 at New Delhi under the chairpersonship of the Union Finance & Corporate Affairs Minister Smt. Nirmala Sitharaman. Recommendations were made by the GST Council under the following heads:

- GST rate changes: Goods
- GST rate changes: Services
- Trade facilitation measures
- Circulars to provide clarification
- Other Proposals

Please [Click Here](#) to read our detailed Alert on the key recommendations.



To give effect to the above recommendations, the Central Board of Indirect Taxes & Customs (CBIC) has issued a series of Circulars summarised below:

Sl. No.	Circular (Please click to read)	Particulars
1	<p>Clarification in respect of advertising services provided to foreign clients.</p> <p><a href="#">Circular No. 230/24/2024-GST dated 11 September 2024</a></p>	<p>Clarification in relation to services provided by an Indian advertising company / agency to a foreign entity:</p> <ul style="list-style-type: none"> <li>• <u>An advertising company cannot be considered an 'intermediary'</u></li> </ul> <p>In cases where a foreign client enters into a comprehensive agreement with an Indian advertising company / agency, which in turn enters into an arrangement with media company owners, the advertisement company acts on a principal-to-principal basis and cannot be considered as an 'intermediary' (except where the advertising company merely acts as an agent of the foreign client and the media company owner directly raises an invoice to the foreign client)</p> <ul style="list-style-type: none"> <li>• <u>Foreign company is the recipient of the services</u></li> </ul> <p>Since the foreign client is liable to pay the consideration for the advertising services, they are considered as recipients of such services as per the GST provisions.</p> <p>Further, neither the target audience nor the Indian representative of foreign clients should be considered recipients, as they do not bear the cost of advertising services.</p> <ul style="list-style-type: none"> <li>• <u>Advertising services do not qualify as performance-based services</u></li> </ul> <p>The supply of advertising services does not require the physical presence of the recipient in India. Accordingly, the Place of Supply cannot be the location at which the services are performed in terms of section 13(3) of IGST Act.</p> <ul style="list-style-type: none"> <li>• <u>Place of supply for advertising services</u></li> </ul> <p>The Place of Supply shall be the location of the service recipient as per section 13(2), which would lie outside India. This would, in turn, lead to the transaction being qualified as the export of services, subject to the fulfilment of other conditions as stipulated under section 2(6) of the IGST Act, 2017</p> <ul style="list-style-type: none"> <li>• <u>Place of supply in case where Indian advertising agency merely acts as an agent for the foreign client</u></li> </ul> <p>When the advertising company acts solely as an agent between the foreign client and media owners, it is considered an intermediary, and the place of supply is the location of the supplier (advertising company) as per section 13(8)(b) of the IGST Act.</p>

Sl. No.	Circular (Please click to read)	Particulars
2	<p>Clarification on availability of ITC in respect of demo vehicles</p> <p><a href="#">Circular No. 231/25/2024-GST dated 11 September 2024</a></p>	<p><u>Background</u></p> <p>ITC in respect of motor vehicles for transportation of persons with a seating capacity of not more than 13 persons is blocked as per section 17(5)(a) of the CGST Act except when used for</p> <ul style="list-style-type: none"> <li>• Further supply of such motor vehicles,</li> <li>• Transportation of passengers,</li> <li>• Imparting training on driving such motor vehicles</li> </ul> <p><u>Clarification</u></p> <ul style="list-style-type: none"> <li>• Demo vehicles are used by authorised dealers for test drives and showcasing features to potential buyers. The primary use is to encourage customers to purchase similar vehicles; thus, it qualifies as being used to supply motor vehicles further. Accordingly, the ITC on demo vehicles is allowed, as they contribute directly to promoting and selling vehicles</li> <li>• If the vehicles are used for other purposes, such as staff transportation, or if the dealer only acts as an agent for the manufacturer without selling the vehicles directly, the ITC is not available</li> <li>• The demo vehicles when capitalized in the books of account by authorized dealers, they are considered as 'capital goods' as per section 2(19) of the CGST Act. Since these vehicles are used to promote further sales and are used in the course or furtherance of business, ITC is available, irrespective of its capitalization in books of account</li> <li>• In cases where depreciation is claimed on the tax component of demo vehicles, the ITC on the said tax component is not allowed</li> <li>• Additionally, if a capitalized demo vehicle is later sold, the dealer must pay tax as per section 18(6) of the CGST Act</li> </ul>

Sl. No.	Circular (Please click to read)	Particulars
3	<p>Clarification on place of supply of data hosting services provided by service providers located in India to cloud computing service providers located outside India</p> <p><a href="#">232/26/2024-GST dated 11 September 2024</a></p>	<p>Clarifications with respect to services provided by data hosting service providers to its overseas cloud computing service providers:</p> <ul style="list-style-type: none"> <li>Such services cannot be considered as 'intermediary services'</li> <li>Even in cases where some hardware is provided by the recipient to the supplier, the same cannot be considered as services provided in relation to the goods 'made available' by the recipient</li> <li>Further, such services cannot be considered as the services provided directly in relation to an immovable property or physical premises</li> <li>In view of the above, the Place of Supply of such services cannot be determined as per sections 13(8)(b) / 13(3)(a) / 13(4) of the IGST Act. Instead, the same would be covered under the general provision i.e., section 13(2) of the IGST Act. Accordingly, the Place of Supply of such service would be the location of recipient of service</li> </ul>
4	<p>Clarification on Refund restriction under Rule 96(10) of CGST Rules, 2017</p> <p><a href="#">233/27/2024-GST dated 11 September 2024</a></p>	<ul style="list-style-type: none"> <li>Rule 96(10) of the CGST Rules restricts exporters from claiming refunds of IGST on exports if they have availed of concessional or exempt benefits on the inputs used for those exports, under specific notifications</li> <li>Effective from 23 October 2017, Notification No. 16/2020-CT introduced an Explanation that provides relief to exporters. It states that if an exporter has availed an exemption from Basic Customs Duty (BCD) alone, but subsequently paid IGST and compensation cess on the inputs, it will not be considered a violation of the provisions of Rule 96(10)</li> <li>It has been clarified that if an exporter initially imported inputs without paying IGST and compensation cess under Notification No. 78/2017-Customs or 79/2017-Customs but later paid these taxes along with applicable interest and the bill of entry was reassessed, such exporters will not be treated as having violated Rule 96(10). This ensures that these exporters remain eligible to claim IGST refunds on their exports</li> </ul>

## Advisory on Re-opening of Reporting Input Tax Credit (ITC) Reversal Opening Balance

### Background

As per Notification No. 14/2022 – CT dated 5 July 2022 read with Circular no. 170/02/2022-GST dated 6 July 2022, the Government introduced certain changes in Table 4 of Form GSTR-3B regarding availment and reversal of ITC along-with reporting of re-claimed and ineligible ITC. Accordingly, the re-claimable ITC earlier reversed in Table 4(B)2 may be subsequently claimed in Table 4(A)5 on fulfilment of necessary conditions and such reclaimed ITC also needs to be reported in Table 4D(1).

Dashboard Services ▾ GST Law Downloads ▾ Search Taxpayer ▾ Help and Taxpayer Facilities e-Invoice News and Updates

Dashboard > Opening Balance Declaration English

Advisory

**Declaration of Opening Balance of Accumulated ITC Reversal which is pending for re-claim**

Date	Integrated tax (₹)	Central tax (₹)	State/UT tax (₹)	Cess (₹)
28/09/2024	0.00	0.00	0.00	0.00

Note: When reporting the accumulated balance of reversed ITC, it is important to take into account only those ITC which were previously reversed in Table 4B(2) but are eligible for re-claim and have not yet been re-claimed.

Verification  
 I/We hereby solemnly affirm and declare that the information given herein above is true and correct (in respect of Form GSTR-3B) to the best of my knowledge and belief and nothing has been concealed therefrom.

BACK
SUBMIT WITH DSC
SUBMIT WITH EVC

To facilitate the taxpayers in correct and accurate reporting of ITC reversal and reclaim thereof and to avoid clerical mistakes, a new ledger namely Electronic Credit Reversal and Re-claimed Statement was introduced on the GST portal from August 2023 return period for monthly taxpayers and from July-September 2023 quarter for quarterly taxpayers. The taxpayers were also given an opportunity to report their cumulative ITC reversal as an opening balance in the newly introduced Electronic Credit Reversal and Re-claimed Statement.

## *Advisory on extension of due dates for reporting opening balance*

Now, the taxpayers are being provided with a final opportunity to report their cumulative ITC reversal (ITC that has been reversed earlier and has not yet been reclaimed) as opening balance for 'Electronic Credit Reversal and Re-claimed Statement', if any, before hard locking the reversal and reclaim ledger.

The important dates to report opening balance are mentioned below.

- The functionality to report the opening balance will be available from 15 September 2024 to 31 October 2024
- The amendments in the declared opening balance will be available till 30 November 2024
- Taxpayers having monthly filing frequency are required to report their opening balance considering the ITC reversal done till the return period of July 2023 only, as after this period balance is already available in ledger
- Quarterly taxpayers shall report their opening balance up to Q1 of the Financial Year 2023-24, considering the ITC reversal made till April-June 2023 return period only. After this period, balance is already available in ledger

Soon system would not allow to re-claim ITC in excess of the amount reversed earlier and the taxpayers will not be able to reclaim excess ITC compared to the balance available in their Electronic Credit Reversal and Re-claimed Statement. Therefore, it is advised to make use of this extended period to ensure that all relevant information is reported accurately.

Please [Click Here](#) to read detailed advisory dated 17 September 2024 on Electronic Credit Reversal and Re-claimed Statement.

# Direct Tax





# Direct Tax

**Gross Direct Tax collection for Financial Year (FY) 2024-25 (upto 17 September 2024) is Rs 12.01 Lakh Crore, 21.48% higher than gross collection for corresponding period last year**

The Central Board of Direct Taxes (CBDT) has released the following statistics on 17 September 2024:

For the period 1 April 2024 till 17 September 2024	Amount (Rs.)	Remarks
Gross direct tax collection	Rs 12.01 lakh crore	21.48 % higher than gross collection for corresponding period last year
Net direct tax collection (after adjustment of refunds)	Rs 9.96 lakh crore	16.12 % higher than net collection for corresponding period last year
Refunds issued	Rs 2.05 lakh crore	56.49 % higher than refunds issued for corresponding period last year
Advance Tax Collection	Rs 4.36 lakh crore	22.61 % higher than refunds issued for corresponding period last year

Please [Click Here](#) to read the Press Release dated 17 September 2024.

# Direct Tax

## Disposal of 573 direct tax cases by Hon'ble Supreme Court in view of revised monetary limit for filing appeals provided by Union Budget 2024-25

The Hon'ble Supreme Court on 24 September 2024 disposed off 573 direct tax cases where the tax effect is less than Rs. 5 crore, in view of the revised monetary limit of filing of appeals. The Union Budget 2024-25 provided for an enhanced monetary limit for filing appeals related to direct taxes, excise and service tax.

Pursuant to the Budget 2024-25 announcement, CBDT and CBIC had issued necessary orders to enhance the monetary limit for filing appeals in their respective domains. As a result, it is expected that the cases pending before various appellate forums would come down and reduce tax litigation.

### Direct Tax

As per the announcements in the Union Budget 2024-25, the monetary thresholds for filing tax dispute appeals by the department were enhanced as below.

- For Income Tax Appellate Tribunal (ITAT) - Increased from Rs. 50 lakh to Rs. 60 lakh
- For High Courts - Increased from Rs. 1 crore to Rs. 2 crore
- For Supreme Court - Increased from Rs. 2 crore to Rs. 5 crore

As a result of these revised limits, it is estimated that around 4,300 cases as below may be withdrawn from various judicial forums over the course of time.

- ITAT - 700 cases
- High Courts - 2,800 cases
- Supreme Court - 800 cases

# Direct Tax

## Indirect Taxes

Similarly, the monetary limit for filing appeals for Central Excise and Service tax cases were increased as below.

- For Customs Excise & Service Tax Appellate Tribunal (CESTAT) - The limit was increased to Rs. 60 lakh from Rs. 50 lakh
- For High Court – The limit was increased to Rs. 2 crore from Rs. 1 crore
- For Supreme Court – The limit was increased to Rs. 5 crore from Rs. 2 crore

As a result of these revised limits, it is estimated that around 1,050 cases as below would be withdrawn from various judicial forums.

- Supreme Court - 250 appeals
- High Courts - 550 appeals
- CESTAT - 250 appeals

Additionally, steps have been taken to deploy more officers dedicated to hearing and deciding Income- tax appeals, particularly those involving significant tax amounts. These initiatives reflect the Government's commitment to improve ease of doing business across the country by reducing pending litigation.

Please [Click Here](#) to read the Press Release dated 24 September 2024.

Please [Click Here](#) to read CBDT's Circular no. 9 dated 17 September 2024.

# Direct Tax

## Direct Tax Vivad Se Vishwas Scheme, 2024 – Ministry of Finance notifies corresponding Rules, Forms & Date of commencement as 1 October 2024

### Background

In the past, the Direct Tax Vivad Se Vishwas Act, 2020 was launched for appeals pending as on 31 January 2020, for settlement of disputes between taxpayers and revenue authorities. Reportedly, the Scheme got an encouraging response from taxpayers and also resulted in garnering substantial revenue for the Government of India. Encouraged by the success of the Scheme introduced last time, Government vide Finance (No. 2) Act, 2024 has relaunched the scheme in the form of 'Direct Tax Vivad se Vishwas Scheme, 2024'. The objective is same, i.e., to provide a mechanism for settlement of disputed issues, thereby reducing litigation without much cost to the exchequer.

### Procedure to be followed under the Direct Tax Vivad se Vishwas Scheme, 2024

The Direct Tax Vivad se Vishwas Scheme, 2024 provides an opportunity to taxpayers to settle tax disputes pending as on 22 July 2024 at various appellate forums, in relation to tax, interest, penalty or fees payable under the Income-tax law. The procedure consists of the following steps.

- Step 1 - Taxpayers can settle their disputes by submitting a declaration in Form 1 with the designated authority
- Step 2 - Upon receipt of the declaration, the designated authority is required to (within 15 days from the date of receipt of the declaration), grant a certificate in Form 2 to the taxpayer specifying amount payable to settle the dispute

# Direct Tax

- Step 3 – The taxpayer is required to pay the specified amount within 15 days from the date of receipt of the certificate and intimate the designated authority about such payment in Form 3
- Step 4 - The designated authority is required to pass an order in Form 4 stating that the taxpayer has discharged the disputed tax liability which marks the conclusion of the dispute.

Once the disputed tax is settled under the Direct Tax Vivad se Vishwas Scheme, 2024, the taxpayer would enjoy waiver and immunity from interest, penalty and prosecution in relation to the disputed tax arrears.

## **Notification nos. 103 & 104 issued by Ministry of Finance**

On 19 September 2024, CBDT has issued Notification no. 103 appointing 1 October 2024 as the date on which the Direct Tax Vivad Se Vishwas Scheme, 2024 shall come into force.

On 20 September 2024, Ministry of Finance has issued Notification no. 104 notifying the 'Direct Tax Vivad se Vishwas Rules, 2024 prescribing amongst others the following:

- Forms 1, 2, 3 and 4 (explained above)
- Computation of disputed tax for issues covered in favour of the taxpayer
- Computation of losses, unabsorbed depreciation, Minimum Alternate Tax (MAT) credit and Alternative Minimum Tax (AMT) credit that can be carried forward when the dispute pertains to such losses, unabsorbed depreciation and MAT / AMT credit

Please [Click Here](#) to read Press Release dated 21 September 2024 issued by Ministry of Finance.

Please [Click Here](#) to read Notification no. 103 issued by CBDT on 19 September 2024.

Please [Click Here](#) to read Notification no. 104 issued by Ministry of Finance on 20 September 2024.

# Direct Tax

## Central Board of Direct Taxes (CBDT) to participate in special campaign 4.0 to foster a cleaner environment

CBDT is gearing up for the Special Campaign 4.0, continuing its commitment to cleanliness in Government offices. Following the success of Special Campaign 3.0, which saw initiatives at about 350 sites, the CBDT is enhancing its efforts in waste management and citizen outreach.

Notably, the Income Tax department's 'NER Converses' program has engaged citizens in discussions about tax responsibilities in Tawang, Aizawl, and Mokokchung. The HARIT Aayakar initiative has also made strides, with a micro-forest vegetable garden established in Kannur, Kerala, promoting sustainability.

Additionally, a new recreation hall cum crèche has been created in Bhopal, improving office spaces. As the CBDT prepares for this new campaign, its focus remains on fostering a cleaner, more efficient environment while strengthening ties with citizens nationwide.



Please [Click Here](#) to read the Press Release dated 12 September 2024.

## **CBDT rolls out E-Dispute Resolution Scheme, 2022, constitutes Dispute Resolution Committees (DRCs) across 18 jurisdictions across India**

### **Background**

The Finance Act, 2021 introduced new section 245MA in the Income-tax Act constituting a DRC, with the objective to settle disputes of small / medium taxpayers, where

- Returned income  $\leq$  Rs. 50 Lakh, and
- Aggregate amount of variation proposed  $\leq$  Rs. 10 Lakh

The DRC has powers to reduce or waive penalty or give immunity from prosecution for any offence punishable under the Income-tax Act. On 5 April 2022, CBDT had issued Notification nos. 26 and 27 prescribing the e-Dispute Resolution Scheme, 2022 and its Rules including scope of the scheme, procedure to be followed by the DRC and powers of the DRC.

### **Press Release issued by DRC on 30 August 2024**

Taxpayers are required to submit their applications using Form 34BC, as per Rule 44DAB of the Rules, through the Income-tax department's e-filing portal ([eportal.incometax.gov.in](http://eportal.incometax.gov.in)). Applications must be filed within 1 month of receiving the relevant order.

- For cases where an appeal has already been filed and is pending before the Commissioner of Income-tax (Appeals), applications must be submitted latest by 30 September 2024
- For cases where an order has been passed on or before 31 August 2024 and the time for filing appeal against such order before CIT(Appeals) has not lapsed, application can be submitted on or before 30 September 2024

### **Accessing the e-DRS Module**

Taxpayers can access the E-Dispute Resolution Scheme module by logging into the Income-tax portal and following the below procedure

- Log in using Permanent Account Number (PAN)
- Navigate to the Dashboard
- Click on 'e-File' and then select 'Income Tax Forms'
- Choose 'Dispute Resolution Committee in Certain Cases (Form 34BC)'
- Complete and review Form No. 34BC
- E-verify the form using Aadhaar One-Time Password (OTP), Electronic Verification Code (EVC) or Digital Signature Certificate (DSC)



Dashboard > Income-tax Forms > Form 34BC

## Application to dispute resolution committee under 245MA [Form No. 34BC]

An application to the Dispute Resolution Committee shall be made in Form No. 34BC by the person, who opts for dispute resolution under section 245MA of the Act in respect of dispute arising from any variation in the specified order in his case and who fulfills the specified conditions. This form is in compliance with Rule 44DAB.

\* Indicates mandatory fields

PAN  
AFCPA7339D

Submission Mode  
Online

Filing Type  
Original

Assessment Year (A.Y) \*

Select A.Y. ▾

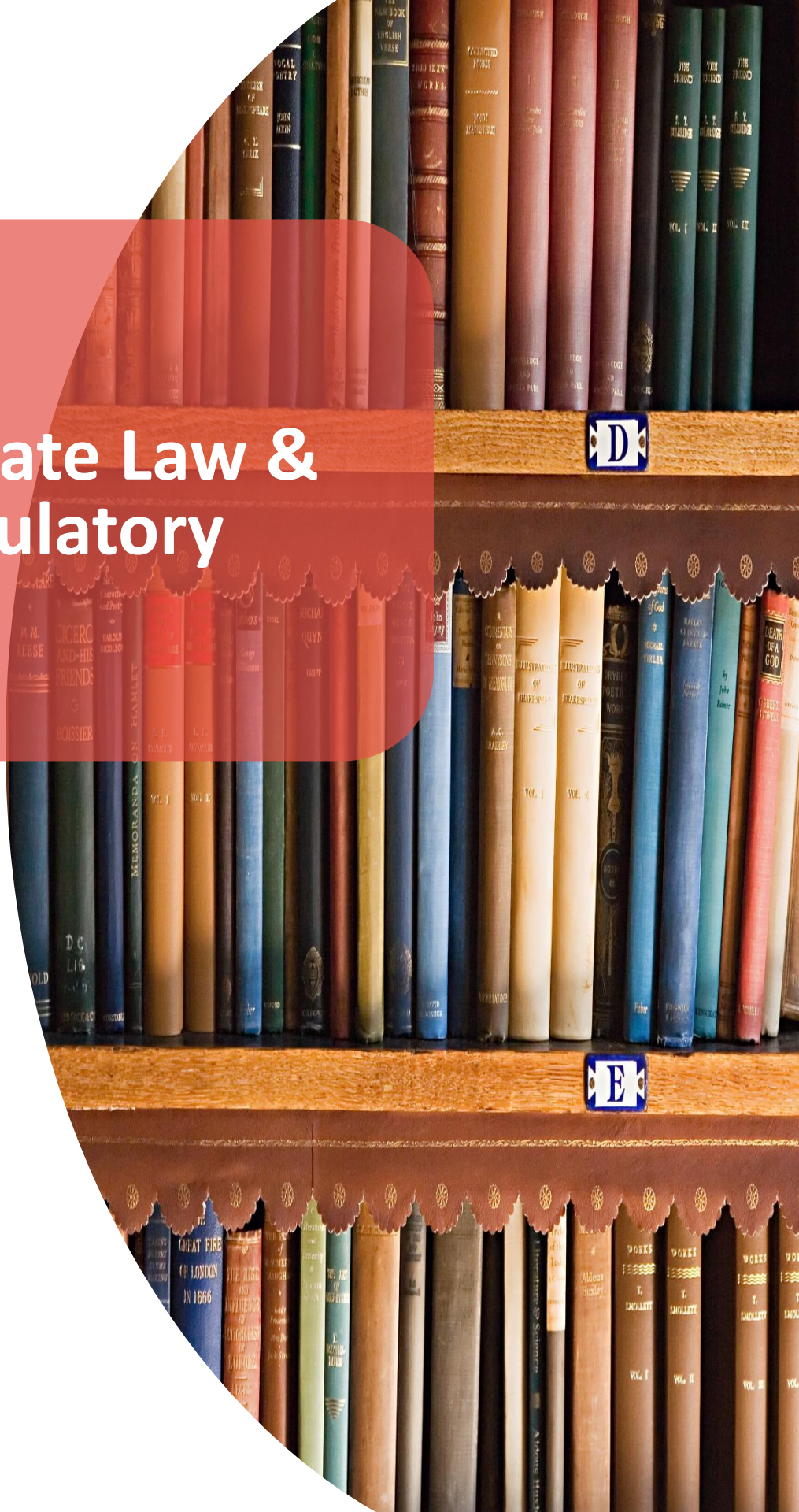
< Back

Continue >

Please [Click Here](#) to read the Press Release dated 30 August 2024.



# Corporate Law & Regulatory



# Corporate Law & Regulatory

## Measures by Ministry of Corporate Affairs (MCA) to address concerns & guide stakeholders for compliances on MCA-21 portal

For regulatory compliances by companies and limited liability partnerships (LLPs) on MCA-21 portal, the MCA has a system of regular review of the concerns of stakeholders raised through emails, helpdesk system, ticketing tools, chatbot and social media handles.

As a further measure of resolving issues of urgent nature, a special team has been constituted to look into the grievances for efficient disposal and suggest systemic solution, if required and provide better guidance to stakeholders for their compliances on MCA-21 portal. Composition of the team is as below:

- Director (eGov), MCA
- Joint Director (eGov), MCA
- Assistant Director (eGov), MCA
- NISG-PMU Head assisted by team member

Please [Click Here](#) to read Press Release dated 25 September 2024.

## Extension of timeline till 30 September 2025 for companies to conduct Annual General Meeting (AGM) & Extraordinary General Meeting (EGM) through video conferencing (VC) or other audio visual means (OAVM)

Due to COVID-19, MCA vide various circulars issued from time to time has allowed companies to conduct their AGMs / EGMs through VC or OAVM within such timelines as prescribed in those circulars. As per the latest in line of those circulars, the MCA vide Circular no. 9/2023 dated 25 September 2023 had last year extended the due date for conducting AGM (due to be held during the year 2023 / 2024) / EGM till 30 September 2024. MCA had further clarified that the extensions are limited to holding of AGM through VC or OAVM and in no way provides extension of time period for holding AGMs by companies under the Companies Act, 2013 Thus, companies which have not adhered to the relevant timelines of holding AGM shall remain subject to legal action under the Companies Act, 2013.

### **Circular no. 9 issued by MCA on 19 September 2024**

In continuation of the above line of circulars, MCA has issued Circular no. 9 on 19 September 2024 extending the due date to *30 September 2025* for AGMs which are due in the year 2024 or 2025 and / or EGMs, which are to be held through VC or OAVM.

Please [Click Here](#) to read Circular no. 9 dated 19 September issued by MCA.

# Corporate Law & Regulatory

## Cross border mergers & amalgamations – With effect from 17 September 2024 onwards, foreign holding company seeking to amalgamate into its Indian wholly owned subsidiary may do so under the fast-track merger route

### Background

Many Indian companies (especially in the information technology sector) are held as wholly owned subsidiaries of an overseas parent company. With the Government of India introducing relaxations to enhance ease of doing business in India, along with increasing investors' comfort of investing directly in an Indian company, several companies are desirous of contemplating a 'reverse flip', i.e., shifting their parent holding entities back to India.

Rule 25A of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 permits overseas company to merge with an Indian company by seeking prior approval of the Reserve Bank of India (RBI) and National Company Law Tribunal (NCLT). The process of obtaining an approval from the NCLT was often time consuming due to backlog of cases resulting in substantial delay in the merger process.

### Notification no. 2/31/CAA/2013 dated 9 September 2024 issued by MCA

MCA has issued a Notification on 9 September 2024 introducing new Rule 25A(5) to the above Rules, permitting the merger or amalgamation of a foreign holding company into an Indian subsidiary to be undertaken through the fast-track merger scheme (set out u/s 233 of the Companies Act, 2013). A fast-track merger would not require an approval from the NCLT, which would streamline the process and significantly reduce the costs and time required for a merger.

To avail the fast-track route for a merger between a foreign holding company and an Indian subsidiary, the following key conditions must be satisfied amongst others:

- Prior approval must be obtained from RBI by both transferor and transferee entities [RBI's approval would not be required if the transaction is being undertaken in accordance with Foreign Exchange Management (Cross Border Merger) Regulations, 2018]
- Transferee Indian company must comply with section 233 of the Companies Act (i.e., provisions applicable to fast-track mergers)

Please [Click Here](#) to read Notification no. 2/31/CAA/2013 dated 9 September 2024 issued by MCA.

# Corporate Law & Regulatory

## Liberalised Remittance Scheme (LRS) for Resident Individuals - Discontinuation of reporting of monthly return

Hitherto, Authorised Dealer (AD) Category-I banks were required to furnish information on the number of applications received and total amount remitted under LRS on a monthly basis in the Centralised Information Management System (CIMS). RBI now been decided to discontinue the requirement for submission of LRS monthly return by AD Category-I banks. Accordingly, from the reporting month of September 2024 onwards, AD Category-I banks shall not submit LRS monthly return (Return code - R089); they will be required to upload only transaction-wise information under LRS daily return (CIMS return code - R010) at the close of business of the next working day on CIMS (<https://sankalan.rbi.org.in>). In case no data is to be furnished, they shall upload a Nil report.

Please [Click Here](#) to read Circular no. 16 dated 6 September 2024 issued by RBI.

## Industrial & Labour Law

### Industrial units in Haryana required to submit biennial return (once in 2 years) in Form ER-II based on the details furnished in quarterly return ER-I as of 30 September 2023, under the Employment Exchanges Act, 1959

The Employment Exchange Department, Haryana, has issued a notification addressing all Industrial Units, Schools, Colleges and Hospitals of Gurugram to submit biennial return (i.e, a return to be filed once in 2 years) in Form ER-II under the Employment Exchanges Act, 1959 (Haryana). The due date for submission of said return is 30 September 2024.

The requirement to submit biennial return in Form ER-II was abolished in the year 2016. It is after 8 years, that the Employment Exchange of Haryana has revived the said requirement. Industrial Units, Schools, Colleges and Hospitals located in Gurugram, are required to take necessary action latest by 30 September 2024.

# Compliance Calendar

## Compliance calendar for the month of October 2024

Compliance Due Date	Concerned (Reporting) Period	Compliance Detail	Applicable To
7 <sup>th</sup> October	September 2024	TDS / TCS deposit	Non-Government Deductors
		Equalization Levy deposit	All Deductors
10 <sup>th</sup> October		a) GSTR-7 (TDS return under GST)	a) Person required to deduct TDS under GST
		b) GSTR-8 (TCS return under GST)	b) Person required to collect TCS under GST
11 <sup>th</sup> October		GSTR-1 (Outward supply return)	a) Taxable persons having annual turnover > Rs. 5 crore in FY 2023-24 b) Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2023-24 and not opted for Quarterly Return Monthly Payment (QRMP) Scheme
13 <sup>th</sup> October		GSTR-6 [Return by input service distributor (ISD)]	Person registered as ISD
	July-Sep 2024	GSTR-5 (Return by Non-resident)	Non-resident taxable person (NRTP)
		GSTR-1 (Outward supply return)	Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2023-24 and opted for QRMP Scheme
14 <sup>th</sup> October	FY 2024-25	Filing of statutory auditor's appointment in form ADT-1	All companies for which statutory auditor is appointed in the AGM held on 30 September 2024
15 <sup>th</sup> October	September 2024	Deposit of PF & ESI contribution	All Deductors
	July-Sep 2024	Form 27EQ –TCS return	All Collectors
20 <sup>th</sup> October	September 2024	GSTR-3B (Summary return)	a) Taxable persons having annual turnover > Rs. 5 crore in FY 2023-24 b) Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2023-24 and not opted for QRMP scheme
		GSTR-5A [Online Information Database Access and Retrieval (OIDAR) services return]	OIDAR services provider
22 <sup>nd</sup> October		GSTR-3B (Summary return)	Taxpayers having annual turnover ≤ Rs. 5 crore in FY 2023-24 and opted for QRMP scheme and having principal place of business in Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands, Lakshadweep
24 <sup>th</sup> October			Taxpayers having annual turnover ≤ Rs. 5 crore in FY 2023-24 and opted for QRMP scheme and having principal place of business in any other state
29 <sup>th</sup> October	FY 2023-24	Filing of audited financial statements in form AOC-4 / AOC-4 XBRL	All Companies (whose AGM is held on 30 September 2024)
30 <sup>th</sup> October		Filing of Annual Accounts in Form 8	All LLPs
	July-Sep 2024	TCS certificate in Form 27D	All Collectors
	Apr-Sep 2024	Details of MSME Trade Payables outstanding > 45 days from the date of acceptance of the goods or services.	All Companies having MSME trade payable outstanding for more than 45 days
31 <sup>st</sup> October	FY 2023-24	Income-tax Return (where Transfer Pricing is not applicable)	a) Corporates b) Non corporates (whose accounts are required to be audited) c) Partner of a firm whose accounts are required to be audited
		Transfer Pricing (TP) Report in Form 3CEB	Taxable persons having international transaction or specified domestic transaction
		Tax Audit Report in Form 3CA/3CB	
	July-Sep 2024	Filing of Form 29B	Companies subject to MAT on book profits u/s 115JB (where transfer pricing laws are applicable)
		TDS Return	All Deductors.

# About KrayMan

KrayMan Consultants LLP (KrayMan) is an accounting & consulting Firm headquartered in Gurugram & serving Clients across India for more than 12 years.

We were founded in 2012 by professionals from Big 4 accounting firms & industry background. We are a team of Chartered Accountants, Company Secretaries, Advocates & MBAs.

We specialize in India-Entry, Accounting, Taxation, Legal, Regulatory, Assurance, HR, Payroll & Loan staffing services. We provide services in the areas of Compliance, Advisory & Litigation.

We have been serving Domestic as well as International Clients from countries like USA, Japan, Australia, EU etc.

We have been Awarded under the category 'Small Business Award 2021' by the International Business Council of Australia.

## Contact Us

---

1170 A, 11<sup>th</sup> Floor, Tower B1  
Spaze i-Tech Park  
Sector 49, Sohna Road  
Gurugram – 122018 (India)  
T +91 (124) 4309418

For any assistance, please write to us at:  
[communications@krayman.com](mailto:communications@krayman.com)

*This publication contains information of general nature . The information is only for general guidance and is not meant to be a substitute for professional advice in any manner. In case the reader requires any specific inputs / suggestions / advice from our end, please contact us separately.*