

Newsletter

AJAY RATTAN & CO
CHARTERED ACCOUNTANTS

NEWSLETTER FOR MAY 24
VOLUME 14, ISSUE 5

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COMPLIANCE

MAY 2024 DUE DATES

GST

DATE	COMPLIANCE DETAIL	APPLICABLE TO
10th	<ul style="list-style-type: none">a) GSTR-7 (TDS return under GST)b) GSTR-8 (TCS return under GST)	<ul style="list-style-type: none">a) Person required to deduct TDS under GST.b) Person required to collect TCS under GST.
11th	GSTR-1 (Outward supply return)	<ul style="list-style-type: none">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
13th	<ul style="list-style-type: none">• GSTR-6 [Return by input service distributor (ISD)]• GSTR-5 (Return by Non-resident)• Invoice Furnishing Facility - IFF (Details of outward supplies of goods or services)	<ul style="list-style-type: none">• Person registered as ISD.• Non-resident taxable person (NRTP).• Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2023-24 and opted for QRMP Scheme
20th	<ul style="list-style-type: none">1. GSTR-3B (Summary return)2. GSTR-5A [Online Information Database Access and Retrieval (OIDAR) services return]	<ul style="list-style-type: none">1. a) Taxable persons having annual turnover > Rs. 5 crore in FY 2023-24b) Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2023-24 and not opted for QRMP scheme.2. OIDAR services provider
25th	<ul style="list-style-type: none">• Form GST PMT-06 (payment of tax for QRMP filers)	<ul style="list-style-type: none">• Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2023-24 and opted for QRMP scheme

INCOME TAX

DATE	COMPLIANCE DETAIL	APPLICABLE TO
7th	<ul style="list-style-type: none"> TDS / TCS deposit Equalization Levy deposit 	<ul style="list-style-type: none"> Non-Government Deductors All Deductors
15th	<ul style="list-style-type: none"> Form 27EQ –TCS return 	<ul style="list-style-type: none"> All Collectors
30th	<ul style="list-style-type: none"> Submission of Form 49C TCS certificate in Form 27D 	<ul style="list-style-type: none"> Non – Resident having a Liaison Office in India All Collectors
31st	<ul style="list-style-type: none"> TDS Return Form no. 61A - Statement of Financial Transactions Annual statement of reportable accounts (Form No.61B) 	<ul style="list-style-type: none"> All Deductors Specified reporting persons as per section 285BA of the Income-tax Act,1961 Financial Institutions

ROC

DATE	COMPLIANCE DETAIL	APPLICABLE TO
30th	<ul style="list-style-type: none"> Form 11 (Annual Return) with Ministry of Corporate Affairs 	<ul style="list-style-type: none"> Limited Liability Partnership Firm (LLPs)

OTHER

DATE	COMPLIANCE DETAIL	APPLICABLE TO
15th	<ul style="list-style-type: none"> Deposit of PF& ESI contribution 	<ul style="list-style-type: none"> All Deductors

GST



NOTIFICATION NO-07/2024- CENTRAL TAX, **DATED-08.04.2024**

This notification specifies the class of registered persons (4 registered entities namely INDIAN OIL CORPORATION LTD, WACKER METROARK CHEMICALS PRIVATE LIMITED, FRESENIUS KABI ONCOLOGY LIMITED, SAI SULPHONATES PRIVATE LIMITED) and the corresponding months for which the late filing interest rate is deemed 'Nil'.

NOTIFICATION NO-08/2024- CENTRAL TAX, **DATED-08.04.2024**

This notification substitutes 1st April 2024 with 15th May, 2024 in the notification No. 04/2024-Central Tax, dated the 5th January, 2024 (**For Special Procedure for Tobacco & Pan Masala Manufacturers**).

[This notification shall come into force from 1st day of April 2024]

NOTIFICATION NO-09/2024- CENTRAL TAX, **DATED-12.04.2024**

CBIC Extends Due Date for monthly taxpayers of Furnishing GSTR-1 for March 2024 from 11th April 2024 to 12th April 2024 due to Technical Issues on GST Portal.

This notification shall be deemed to have come into force with effect from the 11th day of April,2024.

ADVISORY-1, DATED 09.04.2024

Reset and Re-filing of GSTR-3B of some taxpayers

1. This has reference to the facility for re-filing of GSTR-3B for some of the taxpayers. It was noticed that there were discrepancies in the returns of some taxpayers during the filing process between the saved data in the GST system and filed data in the fields of ITC availment and payment of tax liabilities. The matter was examined and deliberated by the Grievance Redressal Committee of the GST Council and as a facilitation measure the Committee decided that these returns shall be reset, to give opportunity to such taxpayers to correct the discrepancy.
2. Accordingly, only the affected taxpayers have been communicated on their registered email-ids and the affected returns are visible on their respective dashboards for the purpose of re-filing with the correct data. The taxpayers who have received such communication, are requested to visit their dashboard and re-file their GSTR-3B within 15 days of receipt of such communication.
3. You may reach out to your jurisdictional tax officer or may raise ticket of GST grievance redressal portal; in case you face any difficulty in re-filing of such GSTR-3B.

ADVISORY-2, DATED 09.04.2024

Auto-populate the HSN-wise summary from e-Invoices into Table 12 of GSTR-1

1. GSTN is pleased to inform that a new feature to auto-populates the HSN-wise summary from e-Invoices into Table 12 of GSTR-1 is now available on the GST portal. This allows for direct auto-filing of HSN data into Table 12 based on e-Invoice data.
2. Please note that the HSN-wise summary data auto-populated into Table 12 is intended for your convenience. Please ensure that you reconcile the data with your records before its final submission.
3. Any discrepancies or errors should be manually corrected or added in Table 12 before final submission.

DEMAND AND RECOVERY – TIME BARRED LIMITATION

After extension via notification number 56-2023 of Central Tax, dated 28-12-2023.

	Section 73			Section 74	
FY	Extended due date or original date of GSTR 9	Notice can be issued max by [at least 3 Months before order]	Order can be issued max by [at least 3 Years from due date GSTR 9]	Notice can be issued max by [at least 6 Months]	Order can be issued max by [at least 5 Years from due date GSTR 9]
2017-18	05-02-2020	30-03-2023	31-12-2023	05-08-2024	05-02-2025
2018-19	31-12-2020	31-01-2024	30-04-2024	30-06-2025	31-12-2025
2019-20	31-03-2021	31-05-2024	31-08-2024	30-09-2025	31-03-2026
2020-21	28-02-2022	30-11-2024	28-02-2025	28-08-2026	28-02-2027
2021-22	31-12-2022	30-09-2025	31-12-2025	30-06-2027	31-12-2027
2022-23	31-12-2023	30-09-2026	31-12-2026	30-06-2028	31-12-2028

- In case of erroneous refund, date of 3/5 years to be counted from date of Refund Order.
- When any notice or order stayed by Court of Tribunal, such period will be excluded.

Corporate Law & Regulatory



Notification issued to relax Foreign Direct Investment (FDI) in Space sector (including satellites, launch vehicles, spaceports & components for ground segment & user segment)

In a bid to enhance foreign investment into India, last month the Ministry of Commerce & Industry relaxed the FDI limits in the Space sector as below, to be effective from the date of its notification in the official gazette of India.

Sector / Activity	FDI limit /cap	Entry route
Satellites <ul style="list-style-type: none">• Manufacture & Operation• Data Products• Ground Segment• User Segment	100%	Upto 74% - Automatic route * Beyond 74% - Government approval route **
Launch Vehicles & Spaceports: <ul style="list-style-type: none">• Launch Vehicles and associated systems or subsystem• Creation of Spaceports for launching and receiving spacecraft	100%	Upto 49% - Automatic route * Beyond 49% - Government approval route**
Manufacture of components and systems/sub-systems for satellites, ground segment and user segment	100%	Upto 100% - Automatic route *

- Automatic route – No prior approval required from Government of India
- Government approval route - Prior approval required from Government of India

On 16 April 2024, the Ministry of Finance has notified the above in the official gazette of India.

DIRECT TAX



Charitable trusts / institutions – Central Board of Direct Taxes (CBDT) extends due date till 30 June 2024 for submission of applications in Form 10A / 10AB for registration / approval for tax exemption

Trusts / Institutions are eligible to claim tax exemption under 2 regimes:

- 1st Regime - Fund / Institution / Trust / University / Educational Institution / Hospital / Medical Institution referred u/s 10(23C)(iv) or (v) or (vi) or (via) of the Income-tax Act, and
- 2nd Regime – Trust registered u/s 12AA / 12AB of the Income-tax Act

The Finance Act, 2023 had made significant amendments in law to rationalize provisions related to both the above regimes. To clarify these amendments, CBDT had issued a detailed Circular no. 6 on 24 May 2023, covering the following aspects:

- Modality and timeline to be followed for obtaining fresh registration / approval for 5 years by existing trusts / institutions in Form 10A. The last date for applying in Form 10A in such cases was extended to 30 September 2023.
- Modality and timeline to be followed for obtaining provisional registration / approval for upto 3 years by new trusts / institutions in Form 10A. The last date for applying in Form 10A in such cases was extended to 30 September 2023.
- Modality and timeline to be followed for obtaining regular registration / approval for 5 years by new trusts / institutions in Form 10AB. The last date for applying in Form 10AB in such cases was maintained as 30 September 2023.
- Modality and timeline to be followed for obtaining renewal of fresh registration / approval for 5 years by new trusts / institutions in Form 10AB. The last date for applying in Form 10AB in such cases was maintained as atleast 6 months prior to the expiry of 5 years
- Extension of due date for FY 2022-23 till 30 June 2023, for furnishing statement of donation in Form 10BD and issue of certificate of donation in Form 10BE

- Provisional registration / approval to be valid from the Assessment Year (AY) relevant to the previous year in which the application is made
- Statement of accumulation of income in Form 10 / 9A allowed to be filed till due date of filing Income-tax Return
- Payment through account payee cheque or account payee bank draft or use of electronic clearing system through a bank account is included in electronic modes of payment for the purpose of reporting by auditor in Form 10B / 10BB

CBDT's Circular no. 7 issued on 25 April 2024

After 11 months of issuing the above Circular no. 6 dated 24 May 2023, CBDT has now issued a Circular on 25 April 2024, extending the time limit for filing Form 10A / Form 10AB from 30 September 2023 (as mentioned above) to 30 June 2024

In cases where the trust / institution has already made an application in Form 10AB on or before 25 April 2024, and where the tax authority has not passed an order before 25 April 2024, the pending application in Form 10AB shall be treated as a valid application.

Further, in cases where the trust / institution had already made an application in Form 10AB and the tax authority has passed an order rejecting such application on or before 25 April 2024, solely on account of the fact that the application was furnished after the due date (30 September 2023) or that the application has been furnished under the wrong section code, the trust / institution may furnish a fresh application in Form 10AB within the extended time limit of 30 June 2024.

If any existing trust / institution had failed to file Form 10A for AY 2022-23 within 30 September 2023, and subsequently applied for provisional registration as a new trust / institution and has received Form 10AC, it can avail the option to surrender Form 10AC and apply for registration for AY 2022-23 as an existing trust / institution in Form 10A within 30 June 2024.

Consequences of not linking Permanent Account Number (PAN) with Aadhaar – Relaxation given by CBDT to deductors / collectors of tax at source on transactions with parties whose PAN is inoperative

As per the Income-tax Act, 1961, every person who has been allotted a PAN as on 1 July 2017 and is eligible to obtain Aadhaar Number, was required to intimate his Aadhaar to the tax authorities on or before 30 June 2023, on payment of a prescribed fee. Failure to do so was supposed to attract penal repercussions under the Act. Certain categories of taxpayers were exempt from this requirement (such as non-residents, senior citizens, etc.)

From 1 July 2023 onwards, the PAN of taxpayers who failed to intimate their Aadhaar would become inoperative and penal consequences would follow during the period that PAN remains inoperative. One of these penal consequences was, tax would be required to be deducted / collected at source at higher rate as per the Act, on transactions with such tax payer.

Relaxation issued by CBDT on 23 April 2024

Reportedly, CBDT had been receiving grievances from tax deductors / collectors that they have received notices alleging short-deduction / collection of tax at source while doing transactions with parties whose PAN became inoperative due to not linking PAN with Aadhaar. In such cases, since tax deduction / collection was not made at higher rate, demands were raised by the Income-tax department on such deductors/ collectors.

To address the above issue, CBDT has relaxed the requirement by specifying that for the transactions entered into upto 31 March 2024, and in cases where PAN becomes operative (as a result of linking with Aadhaar) on or before 31 May 2024, there shall be no liability on deductor/ collector to deduct / collect tax at higher rate u/s 206AA / 206CC of the Act.

Implications as a result of relaxation given by CBDT

If any deductor / collector of tax at source has received notice from the Income-tax department due to this reason, it is advisable to promptly ensure that the respective party whose PAN is inoperative, is asked to link its PAN with Aadhaar, preferably latest by 31 May 2024. For transactions from 1 April 2024 onwards, deductors / collectors of tax at source should ensure that the deductee / collectee links its PAN with Aadhar.

CBDT clarifies on media reports claiming special drive to reopen cases with reference to House Rent Allowance (HRA) claims

Background

Reportedly, certain instances of mismatch of information as submitted by taxpayers and as available with the Income-tax department had come to the notice of tax department as part of its routine exercise of verification of data. In such cases, the tax department had alerted the taxpayers to enable them to take corrective action. However, some posts / articles in media have highlighted enquiries initiated by CBDT in cases where employees have made incorrect claims of HRA and rent paid.

Clarification issued by CBDT

CBDT has issued a clarification on 8 April 2024 dismissing the apprehensions revolving around retrospective taxation on these matters and re-opening of cases on issues pertaining to HRA claims. Such claims have been declared to be baseless and it has been re-iterated that there is no special drive to re-open closed cases.

Verification of Income-tax Return (ITR) within 30 days of uploading/ electronic submission on the Income-tax portal– Clarification issued by CBDT

Notification no. 2 dated 31 March 2024 issued by CBDT

CBDT has clarified that for ITRs uploaded / submitted on the Income-tax portal on or after 1 April 2024, the following protocol would be applicable in relation to manual (or offline) verification of ITR.

Parameter	Prior to 1 April 2024	On or after 1 April 2024
Permissible mode for sending ITR-V to Centralized Processing Centre, Bengaluru (CPC)	Speed post only	Ordinary post, speed post, or any other mode
Date that will be considered for the purpose of reckoning 30 days' time limit period after uploading the ITR electronically	Date of dispatch of speed post of duly verified ITR-V	Date on which ITR-V is received a CPC
If ITR is not verified within 30 days of uploading the return or till the due date for furnishing the ITR as per Income-tax Act, 1961, whichever is later	No specific instruction saying that ITR will be treated as invalid	It has been clarified that ITR will be treated as invalid

CBDT has recommended that electronic verification immediately upon filing the ITR is the most desirable action.

New tax regime for Individuals u/s 115BAC(1A) of the Income-tax Act, 1961 – Clarification issued by Ministry of Finance dismissing misleading information on certain social media platforms

Section 115BAC(1A) was introduced in the Income-tax Act as default tax regime for Individuals for AY 2024-25 onwards. The objective behind introduction of new tax regime is to provide lower rates of taxation, but at the same time doing away with multiple deductions and exemptions available under the old tax regime, as an effort of the Government towards migration to a simplified tax structure within the country.

Clarified issued on 31 March 2024

Reportedly, misleading information was being spread on certain social media platforms. To counter the same, the Ministry of Finance vide Press Release dated 31 March 2024 has clarified the following:

- There is no new change coming from 1 April 2024 onwards
- Although new tax regime is the default tax regime, taxpayers have the liberty to choose the tax regime that is beneficial for them. The option for opting out from the new tax regime is available till due date of filing ITR for AY 2024-25
- Taxpayers without any business income will have the option to choose the regime for each FY. So, they can choose new tax regime in 1 FY and old tax regime in another year and vice versa



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