

J P Chawla & Co. LLP

2024



Fineprint

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A MONTH THAT WAS

Initiative to Disburse PMAY-G Funds to 1 Lakh Beneficiaries Under PM-JANMAN

Shri Narendra Modi is set to disburse the initial funds to 1 lakh beneficiaries of the Pradhan Mantri Awas Yojana – Gramin (PMAY – G) as part of the Pradhan Mantri Janjati Adivasi Nyaya Maha Abhiyan (PM-JANMAN) on January 15, 2024, at 12 noon via video conferencing. This initiative, launched on November 15, 2023, on Janjatiya Gaurav Diwas, aims at the socio-economic welfare of Particularly Vulnerable Tribal Groups (PVTGs).

PM-JANMAN, with a budget of approximately Rs 24,000 crore, emphasizes 11 crucial interventions through 9 Ministries to enhance the socio-economic conditions of PVTGs. These interventions include providing safe housing, clean drinking water, sanitation, education, healthcare, nutrition, electricity, road, telecom connectivity, and sustainable livelihood opportunities.

The interaction with the beneficiaries underscores the commitment to the vision of Antyodaya, aimed at empowering the most marginalized sections of society. This initiative reflects the government's dedication to ensuring inclusive development by reaching the last person at the last mile.

PM Modi Launches Mega Projects in Maharashtra, Empowering Thousands

In a monumental move, Prime Minister Shri Narendra Modi inaugurated eight AMRUT projects valued at around Rs. 2,000 crores in Solapur, Maharashtra. The foundation stone laying ceremony marked a significant step towards urban rejuvenation and transformation in the region.

During the event, PM Modi dedicated over 90,000 houses completed under PMAY-Urban in Maharashtra, with an additional 15,000 houses for the Raynagar Housing Society in Solapur, benefiting various marginalized communities. The Prime Minister also initiated the distribution of PM-SVANIDHI instalments to 10,000 beneficiaries in Maharashtra.

In his address, PM Modi expressed his dedication to the ongoing Pran Pratishtha at the Ram Temple in Ayodhya Dham and highlighted the importance of fulfilling promises for the welfare of the citizens. He emphasized the government's commitment to poverty alleviation and recounted the achievements of schemes like One Nation One Ration Card, Ayushman Card, and Jan Dhan Yojna.

The Prime Minister's speech reflected on the government's efforts to empower the poor through housing, healthcare, and economic security. PM Modi acknowledged the citizens' role in the success of various initiatives and envisioned India among the top three global economies in the coming years.

The event witnessed the presence of notable dignitaries, including the Governor of Maharashtra, Chief Minister, Deputy Chief Ministers, and the Founder of Raynagar Federation. This development surge is a testament to the government's commitment to inclusive growth and prosperity in Maharashtra.

New Initiative Empowers 1 Crore Households with Rooftop Solar Scheme

In a significant move aimed at promoting renewable energy and empowering households across India, Prime Minister Narendra Modi has announced the launch of the 'Pradhan Mantri Suryodaya Yojana'. Under this initiative, 1 crore households will be equipped with rooftop solar panels.

Addressing the nation, PM Modi expressed his conviction that every Indian household should have access to its own solar rooftop system, marking a crucial step towards energy

Self-sufficiency. He emphasized the importance of this decision, which coincided with the auspicious occasion of the Ayodhya life consecration ceremony.

The implementation of this scheme is poised to not only alleviate the burden of electricity bills for the poor and middle class but also propel India towards self-reliance in the energy sector. With this visionary initiative, the government aims to foster sustainable development and mitigate environmental impact while promoting economic prosperity for millions of households nationwide.





GST

[Advisory on furnishing bank account details by registered taxpayers under Rule 10A of the Central Goods and Services Tax Rules, 2017](#)

Mandatory Bank Account Details Submission as per law: All Registered Taxpayers are required under the provisions of CGST Act, 2017 and the corresponding Rules framed thereunder to furnish details of their bank account/s within 30 days of the grant of registration or before the due date of filing GSTR-1/IFF, whichever is earlier.

Taxpayers are therefore advised to promptly furnish their bank account details, who have not provided it so far if 30 Days period is shortly going to expire to avoid disruption in business activities and the subsequent suspension of GSTIN.

A new functionality is being developed with the following features and will be deployed in near future: -

1. **Failure to furnish the bank account in the stipulated time: It would result into following:4**
 - a. Taxpayer Registration would get suspended after 30 days and intimation in FORM REG-31 will be issued to the Taxpayer.
 - b. Get the Taxpayer debarred from filing any further GSTR-1/IFF.
2. **Revocation of Suspension: If the taxpayer updates their bank account details in response to the intimation in FORM REG-31, the suspension will be automatically revoked.**

3. **Cancellation of Registration: If the bank account details are not updated even after 30 days of issuance of FORM REG-31, the registration after suspension may also be taken up for cancellation process by the Officer.**

Taxpayers are requested to take immediate action to provide the necessary information and avoid any adverse consequences.

[Advisory on Payment through Credit Card \(CC\)/Debit Card \(DC\) and Unified Payments Interface \(UPI\)](#)

To provide the taxpayer registered under GST with more methods of payment, two new facilities of payment have now been provided under e-payment in addition to net-banking. The two new methods are Cards and Unified Payments Interface (UPI). Cards facility includes Credit Card (CC) and Debit Card (DC) namely Mastercard, Visa, RuPay, Diners (CC only) issued by any Indian bank.

[Advisory on introduction of new Tables 14 & 15 in GSTR-1](#)

As per Notification No. 26/2022 – Central Tax dated 26th December 2022 two new tables Table 14 and Table 15 were added in GSTR-1 to capture the details of the supplies made through e-commerce operators (ECO) on which e-commerce operators are liable to collect tax under section 52 of the Act or liable to pay tax u/s 9(5). These tables have now been made live on the GST common portal. These two new tables will be available in GSTR-1/IFF from January-2024 tax periods onwards.

DIRECT TAX

Amendment in Section 10(4G) of Income Tax Act.

The Central Government had notified the activity of *investment in a financial product* by the non-resident, in accordance with a contract with such non-resident entered into by a capital market intermediary, being a Unit of an International Financial Services Centre, where the income from such investment is received in the account of the non-resident maintained with the Offshore Banking Unit of such International Financial Services Centre, as referred to in sub-section (1A) of section 80LA. The above activity has been notified for the purpose of Section 10(4G) of Income Tax Act, 1961.

- [Notification No. - 4/2024]

Notification of Income Tax Return - 6 for AY 2024-25.

The CBDT has notified the Income Tax Return - 6 for the Assessment Year 2024-25.

- [Notification No. - 16/2024]

Notification of Explanations regarding the Provisions of the Finance Act, 2023.

The Central Board of Direct Taxes has issued circular explaining the Provisions of Finance Act, 2023.

- [Circular No. - 1/2024]

Processing of ITRs validly filed electronically with refund claims for AY 2020-21.

The Central Board of Direct Taxes has further extended the time limit for processing of ITRs validly filed electronically for AY 2020-21 upto April 30, 2024.

- [CBDT Order No. - F. No. 225/132/2023/ITA-II]

Income Tax Judgement - Draft order mandatory despite Assessee's waiver on filing DRP-objections

Mumbai ITAT quashes the assessment order passed without making the draft assessment order and consider the order passed as as illegal, without jurisdiction and void ab initio. ITAT held that Straightway passing a final assessment order u/s 92CA(4) amounts to complete contravention of the provisions of section 144C of the Act is an incurable illegality. Even the provisions of section 292B of the Act cannot confer and validate the jurisdiction on the Assessing Officer, which is otherwise non-existing. The ITAT observes that Waiver of any legal right cannot entail passing the order otherwise than the mandate of law. Passing of the proposed order of assessment u/s 144C(1) of the Act is sine qua non before passing of the assessment order and consent of parties cannot confer jurisdiction, which is otherwise not available.

- [TS-67-ITAT-2024(Mum)]



REGULATORY

Securities and Exchange Board of India (SEBI)

Guidelines for AIFs concerning holding their investments in dematerialized form and appointment of custodian.

SEBI vide this circular dated January 12, 2024, has prescribed that any investment made by an AIF on or after October 01, 2024, shall be held in dematerialized form only, irrespective of whether the investment is made directly in the investee company or is acquired from another entity.

Investments made by an AIF before October 01, 2024, are exempt from the requirement of being held in dematerialized form, except in the cases specified by SEBI. However, the aforesaid requirement of holding investments in the dematerialized form shall not apply to a scheme of an AIF whose tenure ends on or before January 31, 2025, and the scheme of an AIF which is in extended tenure as on the date of this circular. Further, provided that the custodian for a scheme of an AIF shall be appointed before the date of the first investment of the scheme and the pilot Standard Setting Forum for AIFs ('SFA'), shall formulate implementation standards for reporting data on investments of AIFs that are under custody with the custodian. Such standards shall specify the format and modalities of reporting of data by the manager of AIF to the custodian and subsequently, by the custodian to SEBI.

Ease of Doing Investments by Investors- Facility of voluntary freezing/ blocking of Trading Accounts by Clients

To enhance ease of doing business and ease of investment, SEBI on January 12, 2024 has prescribed that the framework for Trading Members provide the facility of voluntary freezing/ blocking the online access of the trading account to their clients on account of suspicious activities shall be laid down on or before April 01, 2024, by the Brokers' Industry Standards Forum (ISF), which shall, inter-alia, contain necessary guidelines on detailed policy, action to be taken by the Trading Member, process for re-enabling etc. Further, the Stock Exchanges shall ensure that the guidelines so issued under the aforesaid Framework are implemented by Trading Members with effect from July 01, 2024. A compliance report to this effect shall be submitted to SEBI by Stock Exchanges latest by August 31, 2024.

Reserve Bank of India (RBI)

Master Direction - Reserve Bank of India (Internal Ombudsman for Regulated Entities) Directions, 2023

A review of Internal Ombudsman schemes has been undertaken by the Reserve Bank on December 29, 2023, in line with the integration of the erstwhile three RBI Ombudsman Schemes as

Also to improve the customer service standards in regulated entities. The framework reaffirms that the Internal Ombudsman mechanism should work as envisaged and the Internal Ombudsman shall be positioned as an independent, apex-level authority on consumer grievance redress within the regulated entities.



Ministry of Corporate Affairs (MCA)

Listing of equity shares on International Exchanges by unlisted Public Companies incorporated in India.

The MCA vide circular dated January 24, 2024, published the Companies (Listing of Equity Shares in Permissible Jurisdictions) Rules, 2024.

Application and Scope: In accordance with regulations established by the Authority or the Securities Exchange Board of India, the rules apply to both listed and unlisted public Companies. These businesses must issue securities to list them on authorized stock exchanges in legal jurisdictions.

Listing Procedures: In eligible jurisdictions, unlisted public companies may issue equity shares for listing on stock exchanges, provided they meet certain requirements. This covers the current shareholders' offer to sell their equity interests. Companies that want to list on reputable Indian stock exchanges must abide by extra requirements set forth by the Securities and Exchange Board in addition to the Scheme, which must be followed.

Filing of Prospectuses: Once finalized and submitted in the approved exchange, unlisted public companies have seven days to file a prospectus in e-Form LEAP-1. This requirement ensures opening and gives prospective investors all the details they need to know about the business.

VOTING RIGHTS: Companies with equity shares listed on international exchanges must ensure that voting rights are exercised directly by permissible holders or through their custodian under voting instruction only from such permissible holders.

PRICING OF EQUITY SHARES: Pricing norms vary based on whether the equity shares are issued by a listed company, offered by existing shareholders on a recognized stock exchange in India, or issued by a public unlisted Indian company on an international exchange.

Compliance with Financial Standards: Companies are required to follow the Indian Accounting Standards outlined in the Companies (Indian Accounting Standards) Rules, 2015, after listing. This ensures uniformity and transparency in financial statements and is in line with international standards for financial reporting.

Qualifications: Certain firms, such as those registered under section 8 or declared as Nidhi, companies limited by guarantee with share capital, and those having outstanding public deposits, are not eligible to be listed under these guidelines.

The rules also disallow companies with negative net worth or a history of defaulting on payments to creditors. However, if a company rectifies defaults and two years pass since rectification, it becomes eligible.





We are a team of distinguished Business Advisors, Chartered Accountants, Tax Consultants, Company Secretaries, Management Accountants, Corporate Financial Advisors, Management consultants, Technology consultants and Forensic experts. We provide services in area of Business Intelligence Services, Taxation Services, Audit, Risk and Assurance Services, Outsourcing Services, Regulatory Services, Transaction Advisory Services, Doing Business in India and Start Up Services.

For further insights and updates, we invite you to explore our website at www.jpc.co.in
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