

# J P Chawla & Co. LLP

# 2024



## Fineprint

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# A MONTH THAT WAS

## **Bridgestone to Expand Indian Operations with \$85 Million Investment**

Bridgestone Corporation has announced an \$85 million investment to expand its production capabilities at the Pune and Indore plants in India, targeting increased output and a strengthened premium tyre portfolio. Scheduled to begin in early 2025, the Pune facility will boost production by 1.1 million tyres annually by 2029. The Indore plant will focus on manufacturing premium tyres, aligning with Bridgestone's vision for sustained growth and market leadership in the Indian and global markets.

The investment aligns with Bridgestone's premium-mass strategy, aiming to meet rising demand for high-quality tyres and expand its market reach. As part of the initiative, Bridgestone will establish a satellite technology centre at the Pune facility, operational by 2025. This advanced R&D hub will focus on creating "Dan-Totsu" products, representing the company's commitment to innovation, sustainability, and leadership in tyre performance.

By reinforcing its manufacturing and innovation footprint in India, Bridgestone demonstrates its commitment to positioning the country as a key hub for future growth. This expansion supports Bridgestone's global strategy, enabling the company to better serve domestic and international markets while contributing to the transformation of India's tyre manufacturing landscape with a focus on sustainable growth and premium product development.

## **Mitsubishi Electric's Climaveneta Invests ₹400 Crore in Advanced HVAC Plant in Karnataka**

Climaveneta Climate Technologies (CCT), part of Mitsubishi Electric, is investing over ₹400 crore in a high-tech HVAC manufacturing facility in Narsapura, Karnataka, near Bengaluru. This facility will produce advanced central air conditioning systems, including Screw Chillers, Magnetic Levitation Technology Chillers, and High Precision AC units, catering to industries such as data centres, healthcare, hospitality, and commercial projects.

With an order book exceeding ₹500 crore, CCT aims to double its annual order intake within five years. The company's high-performance and environmentally friendly cooling systems are critical for data centres, where uninterrupted operations are essential to prevent costly downtime. As digital services, AI, e-commerce, and cloud adoption rise in India, the demand for robust cooling solutions in data centres is growing, particularly in key markets like Navi Mumbai, Bengaluru, Hyderabad, and Chennai.

Climaveneta is also a leader in HVAC innovations, offering systems that optimise energy efficiency and reduce operating costs through smart monitoring and diagnostics. These systems ensure continuous performance monitoring, early deficiency alerts, and reduced breakdown risks.

Mitsubishi Electric plans to further enhance investments in India, expanding its operations around Bengaluru and other regions, capitalising on the nation's booming data centre and HVAC market growth.

## **Haier and JSW Group Plan ₹1,000 Crore Joint Venture for India Expansion**

China's Haier Group is seeking a ₹1,000 crore joint venture (JV) with India's JSW Group to strengthen its presence in the Indian market. The proposal, submitted under Press Note 3 of 2020, which mandates government approval for investments from countries sharing land borders with India, is under review by an inter-ministerial committee led by the Home Secretary.

This move aligns with JSW Group's recent partnership with China's SAIC Motor to form JSW MG Motor India Pvt Ltd, where JSW holds a 35% stake.

Haier has been operating in India since 2003, with manufacturing plants in Pune and Greater Noida. As India is its third-largest market globally, after China and the US, Haier has achieved an annual business volume of over ₹8,000 crore and a production capacity of 9 million units. The proposed JV reflects Haier's strategy to cater to India's growing demand for affordable appliances, particularly in rural, small-town, and middle-class urban markets.

This collaboration is expected to boost Haier's growth trajectory, expand manufacturing capabilities, and address India's increasing consumer demand while enhancing JSW Group's diversification into new ventures.



### Notification of Entities for the purposes of Section 10(46) of the Income Tax Act.

Section 10(46) of the Income Act, 1961 specifies the income of the body or authority or Board or Trust or Commission which is exempt subject to fulfillment of conditions.

The Central Government has notified the following entities:

- a. Petroleum and Natural Gas Regulatory Board – This entity is notified for AY 2024-25.
- b. District Legal Service Authority constituted by Government of Haryana - This entity is notified for AY 2024-25 to AY 2028-29.
- c. National Aviation Security Fee Trust – This entity is notified for AY 2025-26 to AY 2029-30.

– [Notification No. – 118/2024, 119/2024, 120/2024]

### Notification of E-Filing of Income Tax Forms

The Director General of Income Tax has notified the following forms which shall now be submitted electronically.

Income Tax Form	Description
Form 42	Appeal against refusal to recognise or withdrawal of recognition from a provident fund.
Form 43	Appeal against refusal to approve or withdrawal of approval from a superannuation fund.
Form 44	Appeal against refusal to approve or withdrawal of approval from a gratuity fund.

– [Notification No. – 6/2024]

### Exemption of Provisions of Section 194N

Section 194N specifies the TDS deduction on withdrawal of cash exceeding INR 1 crores by Bank, post office and banking co-operative society.

The Central Government specifies the provisions of Section 194N shall not be applicable on the Foreign Representations duly approved by the Ministry of External Affairs of the Government of India including Diplomatic Missions, agencies of the United Nations, International Organisations, Consulates and Offices of Honorary Consuls which are exempt from paying taxes in India as per the Diplomatic Relations (Vienna Convention) Act 1972 (43 of 1972) and the United Nations (Privileges and Immunities) Act 1947 (46 of 1947).

– [Notification No. – 123/2024]

### Extension of Safe Harbour Rules

The Central Board of Direct Taxes has extended the period of applicability of Safe Harbour Rules to AY 2024-25.

– [Notification No. – 124/2024]

### Fixing monetary limits of the Income Tax Authorities in respect of reduction or waiver of interest paid or payable under section 220(2) of the Income-tax Act- reg.

The Central Board of Direct Taxes has specified the following monetary limits for reduction or waiver of interest under Section 220(2) of Income Tax Act, 1961.

S. No.	Income Tax Authority	Monetary Limit
1	Pr. CIT/CIT	Upto INR 50 Lakhs
2	CCIT/DGIT	Above INR 50 Lakhs to INR 1.5 Crore
3	Pr. CCIT	Above INR 1.5 Crore

– [Circular No. – 15/2024]

### Condonation of delay under section 119(2)(b) of the Income-tax Act, 1961 in filing of Form No. 9A/10/10B/10BB for Assessment Year 2018-19 and subsequent assessment years.

- The Principal Commissioners of Income Tax (Pr. CIT)/ Commissioners of Income Tax (CIT) to admit and deal with applications for condonation of delay in filing Form No. 9A/ Form 10/Form 10B/Form 10BB for Assessment Year 2018-19 and subsequent assessment years where there is a delay of upto 365 days.
- The Principal Chief Commissioners of Income Tax (Pr. CCIT)/ Chief Commissioner of Income Tax (CCIT)/Director Generals of Income Tax (DGIT) to admit and deal with applications for condonation of delay in filing Form No. 9A/Form 10/Form 10B/Form 10BB for Assessment Year 2018-19 and subsequent assessment years where there is a delay of more than 365 days.
- The Pr. CCIT/ CCIT/ Pr.CIT/CIT while entertaining such applications for condonation of delay in filing Form No. 9A/ Form 10/Form 10B/Form 10BB, shall satisfy themselves that the applicant was prevented by reasonable cause from filing such Forms before the expiry of the time allowed and the case is of genuine hardship on merits.
- No application for condonation of delay in filing of Form No. 9A/Form 10/Form 10B/Form 10BB shall be entertained beyond three years from the end of the assessment year for which such application is made. The time limit for filing of such application within three years from the end of the assessment year will be applicable for application filed on or after the date of issue of this Circular. A condonation application should be disposed of, as far as possible, within six months from the end of the month in which such application is received by the Competent Authority.

– [Circular No. – 16/2024]



### Condonation of delay under section 119(2)(b) of the Income-tax Act, 1961 in filing of Form No. 10-IC or Form No. 10-ID for Assessment Years 2020-21, 2021-22 and 2022-23

Representations have been received by the CBDT stating that Form No. 10-IC or Form No. 10-ID could not be filed for various assessment years on or before the due date or extended due date, as the case may be. It has been requested that the delay in filing of these Forms for respective assessment years may be condoned.

With a view to avoid genuine hardship to the assesseees in exercising the option, under section 115BAA of the Act read with Rule 21AE of the Rules or under section 115BAB of the Act read with Rule 21AF of the Rules, the CBDT in exercise of the powers conferred under section 119(2)(b) of the Act, hereby authorizes:-

1. The Pr. Commissioners of Income Tax (Pr. CIT)/ Commissioners of Income Tax (CIT) to admit and deal with the applications for condonation of delay in filing of Form No. 10-IC or Form No. 10-ID for Assessment Years 2020-21 , 2021-22 and 2022-23 where there is a delay of upto 365 days.
2. The Pr. Chief Commissioner of Income Tax (Pr. CCIT)/ Chief Commissioners of Income Tax (CCIT)/ Directors General of Income Tax (DGIT) to admit and deal with the applications for condonation of delay in filing of Form No. 10-IC or Form No. 10-ID for Assessment Years 2020-21 , 2021-22 and 2022-23 where there is a delay of more than 365 days.
3. The Pr. CCIT/ CCIT/ DGIT/ Pr. CIT/ CIT while deciding such applications for condonation of delay in furnishing of Form No. 10-IC or Form No. 10-ID to exercise the option, under section 115BAA of the Act read with Rule 21AE of the Rules or under section 115BAB of the Act read with Rule 21AF of the Rules, shall satisfy themselves that the applicant's case is a fit case for condonation under the existing provisions of the Act.

The Pr. Pr. CCIT/ CCIT/ DGIT/ Pr. CIT/ CIT shall ensure that the following conditions are satisfied, while deciding such applications:-

- a. The return of income for relevant assessment year has been filed on or before the due date specified under section 139(1) of the Act;
  - b. The assessee has opted for taxation, u/s 115BAA of the Act in case condonation of delay is for Form No. 10-IC and u/s 115BAB of the Act in case condonation of delay is for Form No. 10-ID, in "Filing Status" in "Part A-GEN" of the Form of Return of Income ITR-6; and
  - c. The assessee was prevented by reasonable cause from filing such Form before the expiry of the time allowed and the case is of genuine hardship on merits.
4. No application for condonation of delay in filing of Form No. 10-IC or Form No. 10-ID shall be entertained beyond three years from the end of the assessment year for which such application is made. The time limit for filing of such application within three years from the end of the assessment year will be applicable for application filed on or after the date of issue of this Circular. A condonation application should be disposed of, as far as possible, within six months from the end of the month in which such application is received by the Competent Authority.

— [Circular No. - 17/2024]





**AUDIT & RISK**  
Sustainability Reporting

**Sustainability Reporting Maturity Model (SRMM) Version 2.0**

Committee on Business Responsibility Reporting constituted by the Ministry of Corporate Affairs released its “Report of the Committee on Business Responsibility Reporting” in August 2020 (“MCA Committee Report”) and recommended new comprehensive framework for Business Responsibility and Sustainability Report (“BRSR”).

Securities and Exchange Board of India (“SEBI”), vide Circular dated 10th May 2021 (“SEBI BRSR Circular”), has mandated new reporting requirements by issuing format of BRSR (“SEBI BRSR”)<sup>2</sup> and made it applicable to top 1000 listed entities (by market capitalization). The new reporting requirement has undergone significant changes in terms of parameters involved. The applicability was voluntary for Financial Year 2021-22 and is

mandatory from Financial Year 2022 onwards.

Sustainability Reporting Standards Board of The Institute of Chartered Accountants of India had developed Sustainability Reporting Maturity Model (“SRMM Version 1.0”) based on MCA Committee Report. SRMM Version 1.0 has been updated to SRMM Version 2.0 to incorporate the changes brought in by SEBI BRSR Circular. Similar to SRMM Version 1.0, this version comprises of total 300 scores, by completing the scoring of all three sections and nine principles of the SEBI BRSR.

Level 1, Level 2 and Level 3 and Level 4 of Sustainability Maturity of corporates have been defined based on total range of scores obtained by a corporate in a financial year as per the proposed BRSR scoring mechanism.

Level	Level 1	Level 2	Level 3	Level 4
Stage	Formative Stage	Emerging Stage	Established Stage	Leading by Example
BRSR Score (Percentage of Grand Total Score)	Up to 25%	> 25% and up to 50%	> 50% and up to 75%	> 75%
	The organisations are at the initial level of reporting and are in the process of identifying the need and responsibility of BRSR.	The organisations realize the value of BRSR and respond to it by setting up robust mechanism for reporting, etc.	The organisations have established formal functions/ policies/ systems for BRSR.	The organisations strive for more than compliance and work towards being a market leader.
	Try to establish policies/systems for data collection and disclosures.	The functions/ policies/ systems for such reporting are still to be formalised/ focused. The organisation is working towards establishing/ enhancing internal controls, data collection and disclosures.	Involved in compliance functions, etc., and focus increasing on qualitative aspects.	Strategically differentiating by enhancing disclosures vis a vis innovative methods/ technique employed.

## PROPOSED BRSR SCORING MECHANISM

Section	Essential Indicators Score (Maximum)	Leadership Indicators Score (Maximum)	Total Score (Maximum)
<b>Section A:</b> General Disclosures	18	0	18
<b>Section B:</b> Management and Process Disclosures	24	0	24
<b>Section C:</b> Principle Wise Performance Disclosure <b>PRINCIPLE 1:</b> Businesses should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable.	19	05	24
<b>Section C:</b> <b>PRINCIPLE 2:</b> Businesses should provide goods and services in a manner that is sustainable and safe	15	12	27
<b>Section C:</b> <b>PRINCIPLE 3:</b> Businesses should respect and promote the well-being of all employees, including those in their value chains	40	09	49
<b>Section C:</b> <b>PRINCIPLE 4:</b> Businesses should respect the interests of and be responsive to all its stakeholders	05	05	10
<b>Section C:</b> <b>PRINCIPLE 5:</b> Businesses should respect and promote human rights	14	06	20
<b>Section C:</b> <b>PRINCIPLE 6:</b> Businesses should respect and make efforts to protect and restore the environment	34	20	54

**PROPOSED BRSR SCORING MECHANISM**

<b>Section C:</b> <b>PRINCIPLE 7:</b> Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	05	02	07
<b>Section C:</b> <b>PRINCIPLE 8:</b> Businesses should promote inclusive growth and equitable development	15	09	24
<b>Section C:</b> <b>PRINCIPLE 9:</b> Businesses should engage with and provide value to their consumers in a responsible manner	36	07	43
<b>Total</b>	<b>225</b>	<b>75</b>	<b>300</b>







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](http://www.jpc.co.in)  
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