



# HAPPY CHARTERED ACCOUNTANTS DAY



**CA Richard Rekky**

**Board Member and Former CEO, KPMG India**

- Chartered Accountants are the stewards of financial integrity and play an important role in the sustainability of business.
- Your work is not just about compliance; it is about making a meaningful impact and driving a positive change.
- Each professional needs to look at building their own brand based on their competencies, expertise, values, Integrity and conduct.



**CA Gautam Doshi**

**Independent Director of Listed Companies**

- Chartered Accountants play a comprehensive and vital role in the business world.
- Chartered Accountants can step in at critical moments, providing strategic solutions and driving growth.
- Chartered Accountants will have a far greater role in this technological future.



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**NEWSLETTER JULY 2024**



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*“Hard work is just a word to scare people who do not love their work. The actual fact is when you love your work so much, you almost never find it hard”*

Strong team of experienced, competent, skilled and energetic professionals who believe in providing quality services to clients with honesty, building trust & confidence with them.

AASquare Advisors LLP is a professional services firm that specializes in providing Advisory , Accounting and Taxation & Regulatory Services. Our main and primary focus is to give legal opinions and advisory to clients on Taxation Laws.

The members of the firm provide a perfect blend of consistent high quality expertise derived from immense transactional experience and innovative thought in providing solutions in domains covering multidisciplinary fields working closely with Chartered Accountants, Company Secretaries, Lawyers and professionals from other discipline.

Please feel free to reach us at [info@asquareadvisors.in](mailto:info@asquareadvisors.in) / [arjitaragarwal@gmail.com](mailto:arjitaragarwal@gmail.com) for your valuable views/suggestions/ feedback for improvement of this Newsletter.

***We believe that***

***“If you want to go fast – Go Alone . If you want to go far – Go Together”***

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# From the Desk of Honorary Chief Editor



## Dear Readers

On this auspicious day, we celebrate the invaluable contributions of us being Chartered Accountants (CAs) to our economy and society. Chartered Accountants Day, observed annually on July 1st, honors the establishment of the Institute of Chartered Accountants of India (ICAI) in 1949. This day serves as a reminder of the dedication, integrity, and expertise that CAs bring to the financial world.

We play a pivotal role in the financial health of businesses and organizations. Our skills in auditing, taxation, financial reporting, and strategic management ensure that businesses operate efficiently, transparently, and ethically. In an era where financial accountability is paramount, the role of a CA is more critical than ever. We are the guardians of trust, providing assurance that financial statements are accurate and comply with regulatory standards.

Beyond our technical expertise, we as CAs are strategic advisors who guide businesses through complex financial landscapes. We help in navigating tax laws, optimizing financial performance, and making informed decisions that drive growth and sustainability. Our insights are invaluable in an increasingly globalized and digitalized economy.

The journey to becoming a Chartered Accountant is one of rigorous training and continuous learning. It demands not only intellectual rigor but also a commitment to uphold the highest standards of professionalism and ethics. The ICAI, with its stringent educational and ethical standards, ensures that only the most capable and ethical individuals earn the CA designation.

As we celebrate Chartered Accountants Day, we also recognize the ICAI's role in fostering a community of professionals who contribute significantly to the nation's economic development. The institute's initiatives in education, research, and advocacy ensure that CAs are well-equipped to meet the evolving demands of the profession.

On this special day, let us extend our gratitude to all Chartered Accountants for their dedication and service. Their work not only supports the financial stability of businesses but also contributes to the broader economic health of our society. As we look to the future, the role of CAs will continue to be vital in building a transparent, accountable, and prosperous economy.

Happy Chartered Accountants Day to all the diligent professionals who embody excellence in the field of accountancy. Our expertise, integrity, and hard work are the cornerstones of our financial ecosystem.

SIR CA G.P. KAPADIA



Moradabad  
30<sup>th</sup> June 2024

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**Dear Fellow Chartered Accountants,**

At the outset, I would like to congratulate each of you for being a part of this wonderful and noble profession. You are the stewards of financial integrity and play an important role in the sustainability of business. In today's complicated and complex world, your role cannot be overstated. Remember, that your impact is profound and far-reaching. The advice you give shapes the financial health of the companies you serve or audit.

In these times of rapid technological advancement, global economic challenges, your role has become even more complex. You are at the forefront of implementing new standards, navigating complex regulations, and leveraging

technology to enhance financial practices. Your ability to adapt, be flexible and innovative are critical skills.

We have all worked very hard to become Chartered Accountants which required dedicated and unwavering commitment. This has equipped us with the required set of skills and good understanding of the principles on which the financial practices are based.

At certain times, your work will be challenged, and your opinion will be questioned. At that moment you should remember, you are the upholder of integrity of financial statements and the trust reposed in us by the Regulators and the Public at large.

In our professional career, many times we will face obstacles and failure. Success never comes easy. Behind that success, there are many failures, sacrifices, sweat, rejections, and criticism. We need to first accept these, learn from them and work harder than before so that we bounce back stronger. We need to have courage, vision, passion, discipline, perseverance and dig deep and into the reservoir of talent to overcome these challenges. Push the envelope so that you become the best version of yourself.

We need to view obstacles as opportunities for **growth**. Believe in your potential. Remember obstacles are not roadblocks; they are your **steppingstone**. **Build determination and grit**. Learn from criticism and adopt a **growth mindset** to **foster resilience**.

The ride ahead is not going to be easy. For this, we require very strong standards that we set for ourselves based on **integrity**, **ethics** and **fairness**. Passing our work through this Prism will help us get to the right decision.

In these times of rapid technological development, we need to embrace the principles of **lifelong learning** and **professional development**. One should read a lot and continue to enhance our learning and bring these to our day-to-day work.



You have an important role and responsibility to inspire the next generation of the professionals by sharing your **knowledge, experience and learnings**.



We need to relook where the Profession finds itself today. We need to ask ourselves, how does the ecosystem that we operate in look at us i.e, our Clients, Regulators, Lenders, Investors and the Public at large. For this we need to rebuild the Trust by not only doing what is right legally but also morally. We have a huge responsibility towards the Public, the Investors and the Lenders in ensuring that the financial statement presented are fair and have gone through a rigorous scrutiny. This will help us earn the respect from the Regulators and the Public.

Your dedication towards upholding the highest standards of your profession is what ensures the continued trust and confidence of the public in the financial statements. Your work is not just about compliance; it is about making a meaningful impact and driving a positive change.

As companies build their brand, each professional needs to look at building their own brand based on their competencies, expertise, values, Integrity and conduct.

You are the backbone of financial integrity and the architects of strategic foresight. Keep moving forward with confidence, knowing that your hard work, dedication, and expertise are invaluable. The future is bright, and your potential is limitless.

I would like to wish each of you all the very best in your endeavours. Continue to excel and make an impact.

**With warm regards,**

**CA Richard Rekhy**  
**Board Member and Former CEO - KPMG India**







## Independent Director - Several Listed Companies



**CA Gautam Doshi** is a Chartered Accountant and has been in professional practice for over 45 years. Besides holding a Chartered Accountant degree, Mr. Doshi has done his Masters in Commerce from Mumbai University.

Mr. Doshi advises various business groups and families and serves as a director on the boards of listed and unlisted companies.

Mr. Doshi has been actively involved in conceptualizing and implementing a number of mergers and restructuring transactions both domestic and cross border, involving many of the top 20 listed companies on the BSE as also those forming part of FTSE 100.

Mr. Doshi has addressed several seminars and conferences within and outside of India and courses organized by the Institute of Chartered Accountants of India, International Fiscal Association, Other professional bodies and Chambers of Commerce.

Mr. Doshi has served on the Councils of Western Region as also All India level of the Institute of Chartered Accountants of India, which has the task of development and regulation of profession of accountancy in India. During his tenure on the Council, he served on several committees and contributed significantly to the work of Board of Studies, responsible for education and system training of students. He also served as Chairman of Committees on direct and indirect taxation of Indian Merchants' Chamber.

Currently Mr. Doshi is an Independent Director at Piramal Enterprises Limited, Sun Pharma & several other companies. He is an advisor in accounting, taxation, corporate and commercial laws and regulatory matters.



- CA Arjit Agarwal** - On behalf of AASquare Advisors LLP, we sincerely appreciate your valuable time in sharing your thoughts with us on the occasion of CA Day, on the topic "Exploring the Integral Role of Chartered Accountants in Steering and Elevating Business Success."

**CA Gautam Doshi** - Thank you, the pleasure is all mine

- CA Arjit Agarwal** - Drawing from your experience in the corporate world, how have you witnessed the evolving role of Chartered Accountants in shaping corporate decision-making processes ?

**CA Gautam Doshi** - Chartered Accountants have always been integral to the corporate decision-making process. So, it's not exactly a new development; they've always been crucial. However, their role is expanding as the scope of their work grows.

In today's world, which is increasingly finance-oriented, services are becoming more significant than manufacturing and operations. Chartered Accountants are vital in several areas, including finance,



Chartered Accountants contribute significantly in these areas, but their involvement doesn't end there. For instance, if a company plans to go public with an IPO, it needs to raise finance. Chartered Accountants are essential on both ends of this process. They help the company prepare and properly disclose its accounts. Often, they also serve as merchant bankers, preparing the information memorandum in a manner that appeals to the market.

Furthermore, many of the key individuals at regulatory bodies, such as SEBI, who review and evaluate these documents are Chartered Accountants. In fact, about 80% of such roles are filled by Chartered Accountants. They also play critical roles in marketing and distributing financial products.

Consider a bank loan as another example. At every level—within the company, at the bank, and at various points in the process—a Chartered Accountant is often involved. This demonstrates their extensive role in the decision-making process within a company. They contribute significantly in areas such as compliance, accounting, tax, regulation, and understanding the financial impact on the company and other stakeholders involved in implementing decisions.

So, in summary, Chartered Accountants play a comprehensive and vital role in the business world.

- 3. CA Arjit Agarwal** - Could you share a memorable example from your career where the insights and expertise of Chartered Accountants played a pivotal role in overcoming a significant financial obstacle or crisis?

**CA Gautam Doshi** - I Chartered Accountants are often called in for crisis management when there's a problem. While this role is crucial, I believe their more significant impact lies in facilitating growth, helping companies progress from one level to the next. They play a much more positive role in driving expansion rather than just firefighting.

For example, if a company is undergoing insolvency under the IBC, the resolution professional is typically a Chartered Accountant. However, their expertise is even more critical for growth. Let's consider some examples.

Thirty years ago, Indian companies seeking to raise capital primarily relied on the Indian capital market, which had its limitations due to a lack of depth and players. Over the past few years, this scenario has changed dramatically. Today, Indian companies can raise more funds domestically, and even those who previously sought foreign markets are returning to India for better opportunities.

One of our key clients wanted to shift from India to the UK market. Chartered Accountants played a crucial role in navigating the regulatory challenges and finding a compliant path. They had to ensure the accounts were realistic and convincing to the merchant bankers abroad. This meticulous guidance proved profitable for the client.

Another example involves a significant merger and acquisition. An MNC wanted to sell its Indian business to a local promoter, but there was a substantial gap in their price expectations. A primary concern was the capital gains tax the non-resident would incur. The Chartered Accountant discovered that, when calculated in dollars, the capital gain was negligible, though it was substantial in rupees due to exchange rate differences.

By advising the Indian promoter to cover the tax liability, the Chartered Accountant helped bridge the gap between the parties' expectations. The Indian promoter offered a net amount, absorbing the tax cost, which effectively made the deal attractive for both sides. This insightful approach showcased the strategic value Chartered Accountants bring in complex transactions.

These examples illustrate how Chartered Accountants can step in at critical moments, providing strategic solutions and driving growth.



**4. CA Arjit Agarwal** - With the rapid advancements in technology and data analytics, how do you envision the role of Chartered Accountants evolving in the coming decade to effectively leverage these tools for strategic business growth?

**CA Gautam Doshi** - That's a very challenging question because it's hard to predict where technology will take us in the next few months, let alone the next few years. The rapid growth of AI and other technological tools is astounding, and the resources they will provide are ever-expanding. As these resources become more available, we need to develop the skills to harness them effectively.

It's like having a powerful horse—it's one of the fastest, but if you don't know how to control it, it's useless and even dangerous. As technology advances, we must learn to harness and use it effectively. The pace of technological growth is incredibly rapid, reminiscent of Alvin Toffler's concept of "Future Shock," where everything progresses at a geometric rate. What took 16 years to develop might now take just four years, and eventually, just 40 days.

In my view, Chartered Accountants will have a far greater role in this technological future. With advanced technology, all the data we need will be available, provided we can harness it. We need experts who can understand and utilize this data to make informed decisions. Chartered Accountants, with their expertise in analysis, problem-solving, and evaluation, are well-suited for this task.

Currently, Chartered Accountants spend about 70% of their time collecting data and 30% analyzing it. In the future, this will likely shift to spending 30% on data collection and 70% on evaluation and analysis, making them more effective.

**CA Arjit Agarwal** -

As you correctly pointed out, we need to develop expertise to keep up with the fast-paced technological advancements.

**CA Gautam Doshi** -

Otherwise, we won't be able to handle the speed. A powerful tool requires a powerful mind to wield it effectively.

**5. CA Arjit Agarwal** - As we celebrate Chartered Accountants Day, what message would you like to convey to aspiring finance professionals regarding the importance of integrity and ethical conduct in upholding the profession's reputation?

**CA Gautam Doshi** - Whether you're using advanced technology, advising clients on complex matters, conducting audits, or working on consulting assignments, integrity and ethics are foundational. Without them, any area of work becomes ineffective and exposes you to risks.

Unfortunately, the market has grown skeptical about the integrity and ethics of the profession to some extent. Despite having a strong reputation globally, corporate failures and problems have led people to look for scapegoats, often blaming Chartered Accountants.

In my view, this blame is misplaced in nine out of ten cases. The issue usually isn't a lack of integrity or ethics but rather our inability to effectively demonstrate these qualities. It's crucial to be ethical - no Chartered Accountant should pursue the profession without this foundation—but we must also ensure that the market recognizes and accepts our integrity.

The public needs to understand that if a Chartered Accountant has audited or provided advice, it's done without bias, personal agenda, or ulterior motives, solely in the best interest of the stakeholders. We must find ways to convey this message clearly and convincingly. It's not enough to be ethical; we must also demonstrate our ethics transparently.

In summary, it's essential for Chartered Accountants to uphold and showcase their integrity and ethics so that the broader market can trust and rely on their professional judgments.



**6. CA Arjit Agarwal** - Reflecting on your journey as a Chartered Accountant, what personal attributes or skills have you found most instrumental in achieving success at both the executive and board levels?



**CA Gautam Doshi** - I've had extensive experience both in professional practice and as a corporate executive, and I serve on various boards. The most crucial skill across all these roles is the ability to listen and understand what the other person truly needs.

Often, when someone asks a question, they are addressing a different underlying issue. For example, if they mention a headache, the real problem might be a stomach ache. Understanding the root cause of their concerns is essential.

Once you comprehend the issue, the next step is to solve it using the skills we're trained in as Chartered Accountants: evaluation and analysis. However, before applying these technical skills, it's vital to understand the problem accurately.

Technical expertise is a given—just like ethics and integrity. You must know your subject thoroughly. After understanding the problem and leveraging your technical skills to find a solution, the final and most important step is articulation.

It's not enough to solve the problem; you must explain the solution clearly in a way the other person understands. If you use technical jargon, the solution might not be appreciated or understood. Therefore, effective communication is essential.

Chartered Accountants often excel at solving problems but sometimes fall short in explaining their solutions clearly. This is a skill we need to develop further. We must be able to articulate our solutions in plain language that others can easily grasp to be truly valued.

**CA Arjit Agarwal** - We often try to explain income tax and GST laws, but we don't always simplify the language enough for laypeople to understand.

**CA Gautam Doshi** - Exactly

**7. CA Arjit Agarwal** - Considering the increasing emphasis on sustainability and corporate social responsibility, how can Chartered Accountants contribute in it.

**CA Gautam Doshi** - It's not just Chartered Accountants; every citizen and every market player must contribute to CSR and sustainability. This responsibility isn't unique to Chartered Accountants. However, we can contribute significantly in areas where our expertise can enhance sustainability and CSR efforts.

For CSR, our role lies in evaluating the feasibility of projects, implementing them, ensuring resources match the project requirements, and conducting impact assessments. These tasks rely heavily on data and numbers, where Chartered Accountants excel.

Regarding sustainability, it should be ingrained in our DNA. When we analyze balance sheets and P&L accounts, we must consider more than just sales, profits, and liabilities. We need to assess whether the company's profits are achieved sustainably. If not, those profits might not be sustainable in the long term.

Thus, sustainability must become a key element in our evaluations. By doing so, we encourage companies to adopt sustainable practices, ensuring their long-term success. Profitable processes are not always sustainable, so it's crucial to prioritize sustainability in our analyses.

**8. CA Arjit Agarwal** - We sincerely appreciate your insightful responses. Our discussion has been incredibly enriching. It has been a true honor to engage in this conversation with you on CA Day

**CA Gautam Doshi** - Thank you, it's been a pleasure



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This is Gist of all important updates during **May & June 2024** relating to circulars, notifications, miscellaneous communications & press releases from Income Tax Department and advisory communications to the best of our knowledge and sources\* in brief. However, readers are advised to read the relevant in details for better understanding.



### 1. Income Tax Act 1961 – Notifications :-

Notification No.	Dated	Heading	In Brief	Link to Read Full
42/2024 F. No. 300196/40/2 019-ITA-I	08 <sup>th</sup> May 2024	Section 10 of the Income-tax Act, 1961 (43 of 1961)	In exercise of the powers conferred by clause (46) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies for the purposes of the said clause, 'Tamil Nadu Electricity Regulatory Commission' (PAN AAAGT0048J), a body constituted by the Government of Tamil Nadu, in respect of the certain specified income arising to that Commission.	<a href="#">Click here to Read</a>
43/2024, F. No. 300196/32 /2024-ITA-I	22 <sup>nd</sup> May 2024	Section 10 of the Income-tax Act, 1961 (43 of 1961)	In exercise of the powers conferred by clause (46) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies for the purposes of the said clause, 'Tamil Nadu Water Supply and Drainage Board, Chennai' (PAN: AAALT0834F), a Board constituted under the Tamil Nadu Water Supply and Drainage Board Act, 1970 (Tamil Nadu Act of 1971), in respect of the certain specified income.	<a href="#">Click here to Read</a>
44/2024/F.No .370142/10/2 024-TPL	24 <sup>th</sup> May 2024	Explanation to section 48 of the Income-tax Act, 1961 (43 of 1961)	In exercise of the powers conferred by clause (v) of the Explanation to section 48 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby makes the following further amendments in the notification of the Government of India, Ministry of Finance (Department of Revenue), Central Board of Direct Taxes published in the Gazette of India, Extraordinary, Part II, section 3, sub-section (ii) number S.O. 1790(E), dated the 5th June, 2017, Cost Inflation Index for Financial Year 2024-25 is 363.	<a href="#">Click here to Read</a>





45/2024/F. No 370142/8/20 24-TPL	27 <sup>th</sup> May 2024	Section 206AB of the Income-tax Act, 1961 (43 of 1961)	In exercise of the powers conferred by clause (ii) of the proviso to sub- section (3) of section 206AB of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies the Reserve Bank of India to be a person referred to in the said clause.	<a href="#">Click here to Read</a>
46/2024 F. No 370142/8/20 24-TPL	27 <sup>th</sup> May 2024	Section 206CCA of the Income-tax Act, 1961 (43 of 1961)	In exercise of the powers conferred by clause (ii) of the proviso to sub- section (3) of section 206CCA of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies the Reserve Bank of India to be a person referred to in the said clause.	<a href="#">Click here to Read</a>
47/2024/F. No. 370133/12/2 023-TPL	29 <sup>th</sup> May 2024	Section 10 of the Income-tax Act, 1961 (43 of 1961)	In exercise of the powers conferred by sub-clause (b) of clause (46A) of section 10 of the Income-tax Act, 1961 (43 of 1961), (hereinafter referred to as “the Income-tax Act”), the Central Government hereby notifies the Mathura Vrindavan Development Authority (hereinafter referred to as “the assessee”), an authority constituted under the Uttar Pradesh Urban Planning Development Act, 1973 (President’s Act 11 of 1973), for the purposes of the said clause	<a href="#">Click here to Read</a>
48/2024/F. No 370142/11/2 024-TPL	04 <sup>th</sup> June 2024	Income-tax (Sixth Amendment) Rules, 2024	In exercise of the powers conferred by section 295 read with sub-section (3) of section 200 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby makes the certain rules further to amend the Income-tax Rules, 1962.	<a href="#">Click here to Read</a>
49/2024 F. No. 300196/16/2 022-ITA-I	06 <sup>th</sup> June 2024	Section 10 of the Income-tax Act, 1961 (43 of 1961)	In exercise of the powers conferred by clause (46) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies for the purposes of the said clause, ‘Real Estate Appellate Tribunal, Punjab’ (PAN AAALR2230D), a body constituted by the Government of Punjab, in respect of the certain specified income arising to that body	<a href="#">Click here to Read</a>
50/2024/F. No. 187/6/2024 (ITA-I)	06 <sup>th</sup> June 2024	Section 120 of the Income-tax Act, 1961 (43 of 1961)	In exercise of the powers conferred by sub-sections (1) and (2) of section 120 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes, hereby makes the certain amendments in the notification of the Government of India, Ministry of Finance published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (ii), vide number S.O. 3125 (E), dated the 10th December, 2014	<a href="#">Click here to Read</a>



51/2024 F. No. 300196/43/2 018-ITA-I	12 <sup>th</sup> June 2024	Section 10 of the Income-tax Act, 1961 (43 of 1961)	In exercise of the powers conferred by clause (46) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies for the purposes of the said clause, 'Kerala Co-operative Deposit Guarantee Fund Board' (PAN: AANFK3180E), a Board constituted by the Govt. of Kerala, in respect of the certain specified income arising to that Board	<a href="#">Click here to Read</a>
01/2024-25	24 <sup>th</sup> June 2024	Specifying Forms prescribed in Appendix-II of the Income Tax Rules 1962, to be furnished electronically under sub-rule (1) and sub-rule (2) of Rule 131 of the Income-tax Rules, 1962	In exercise of the powers conferred under sub-rule (1) and sub-rule (2) of Rule 131 of the Income-tax Rules, 1962 ('the Rules'), the Director General of Income Tax (Systems), with the approval of the Board, hereby specifies that the certain Forms shall be furnished electronically and shall be verified in the manner prescribed under sub-rule (1) of Rule 131.	<a href="#">Click here to Read</a>

## 2. Income Tax Act 1961 – Circulars :-

Dated	Heading	In Brief	Link to Read Full
There is no important Circular during the month of May & June			

## 3. CBDT Press Releases :-

Dated	Heading	In Brief	Link to Read Full
13 <sup>th</sup> May 2024	CBDT releases new functionality in AIS	Income Tax Department has now rolled out a new functionality in AIS to display the status of information confirmation process. This will display, whether the feedback of the taxpayer has been acted upon by the Source, by either, partially or fully accepting or rejecting the same. In case of partial or full acceptance, the information is required to be corrected by filing a correction statement by the Source. The following attributes shall be visible to the taxpayer for status of Feedback confirmation from Source.	<a href="#">Click here to Read</a>
18 <sup>th</sup> June 2024	Gross Direct Tax collections for the Financial Year (FY) 2024-25 register a growth of 22.19%  Net Direct Tax collections for the FY 2024-25 have grown at over 20.99%	The provisional figures of Gross collection of Direct Taxes (before adjusting for refunds) for the Financial Year 2024-25 stand at Rs. 5,15,986 crore compared to Rs. 4,22,295 crore in the corresponding period of the preceding financial year, showing a growth of 22.19% over the collections of FY 2023-24.  Provisional figures of total Advance Tax collections for Financial Year 2024-25 (as	<a href="#">Click here to Read</a>

	<p>Advance Tax collections for the FY 2024-25 stand at Rs. 1,48,823 crore which shows a growth of 27.34%</p> <p>Refunds aggregating to Rs. 53,322 crore have been issued in the current fiscal</p>	<p>on 17.06.2024) stand at Rs. 1,48,823 crore, against Advance Tax collections of Rs. 1,16,875 crore for the corresponding period of the immediately preceding Financial Year (i.e. FY 2023-24), showing a growth of 27.34%. The Advance Tax collection of Rs. 1,48,823 crore comprises Corporation Tax (CIT) at Rs. 1,14,353 crore and Personal Income Tax (PIT) at Rs. 34,470 crore.</p> <p>Refunds amounting to Rs. 53,322 crore have also been issued in the FY 2024-25 till 17.06.2024, which are 33.70% higher than refunds issued during the same period in the preceding year.</p>	
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#### 4. CBDT Relevant Miscellaneous Communications :-

Dated	Heading	In Brief	Link to Read Full
03 <sup>rd</sup> May 2024	Guidelines for compulsory selection of returns for Complete Scrutiny during the Financial Year 2024-25 - procedure for compulsory selection in such cases - regarding.	<p>The parameters for compulsory selection of returns for Complete Scrutiny during Financial Year 2024-25 and procedure for compulsory selection in such cases are prescribed as under:</p> <ol style="list-style-type: none"> <li>1. Cases pertaining to survey u/s 133A of the Income-tax Act, 1961 (Act)</li> <li>2. Cases pertaining to Search and Seizure</li> <li>3. Cases in which notices u/s 142(1) of the Act, calling for return, have been issued &amp; no returns have been furnished</li> <li>4. Cases in which notices U/S 148 of the Act have been issued</li> <li>5. Cases related to registration! approval under various sections of the Act, such as 12A, 12AB, 35(1)(ii)/ (iia)/ (iii), 10(23C)(iv)/(v)/(vi)/(via), etc.</li> <li>6. Cases involving addition in an earlier assessment year(s) on a recurring issue of law or fact and/or law and fact</li> <li>7. Cases related to specific information regarding tax-evasion</li> </ol>	<a href="#">Click here to Read</a>
12 <sup>th</sup> June 2024	Suggestions from the Industry and Trade Associations for Budget 2024-25 regarding changes in direct and indirect taxes.	<p>Your suggestions and views may be emailed, as word document in the form of separate attachments, in respect of Indirect Taxes [Customs and Central Excise (for commodities outside GST)] to budget-cbec@nic.in and Direct Taxes to ustpl3@nic.in. Hard copies of the Pre-Budget proposals/ suggestions relating to Customs &amp; Central Excise may be addressed to Ms. Limatula Yaden, Joint Secretary (TRU-I), CBIC, while the suggestions relating to Direct Taxes may be addressed to Shri Raman Chopra, Joint</p>	<a href="#">Click here to Read</a>



		Secretary, Tax Policy and Legislation (TPL-I), CBDT. It would be appreciated if your views and suggestions reach us by the 17 the June, 2024	
27 <sup>th</sup> June 2024	Order under section 10 of the Direct Tax Vivad se Visbwas Act, 2020 ('DTVSV Act')	<p>The maner has been examined by the Board. With a view to address the difficulties faced by the taxpayers and for the purpose of collection of revenue, CBDT in exercise of the powers conferred under Section 10(2} of the DTVSV Act, hereby directs that the delayed payment of requisite taxes in the cases fulfilling the following conditions may be accepted under DTVSYAct:</p> <p>(a) The assessee has made fu ll payment of taxes (including amount payable after due date as prescribed in Form-3 of the DTVSV Rules) on or before 28.02.2022 under the DTYsV Act, and</p> <p>(b) The appeal(s} mentioned in Form-I of the DTYsY Rules has either been withdrawn or has not been decided as on date of fu ll payment of taxes (including amount payable after due date as prescribed in Form-3 of the DTYsV Rules).</p>	<a href="#">Click here to Read</a>

Sources \* <http://www.incometaxindia.gov.in> as on date 29<sup>th</sup> June 24

## 1. In Brief :-

This is Gist of all important updates during **May & June 2024** relating to circulars, notifications, from GST Department to the best of our knowledge and sources\* in brief. However, readers are advised to read the relevant in details for better understanding.



## 2. Notifications (Central Tax) :-

Notification No.	Dated	Heading	Brief
10/2024-Central Tax	29 <sup>th</sup> May 2024	Seeks to amend the Notification no. 02/2017-CT dated 19.06.2017 with effect from 5th August, 2023	In exercise of the powers conferred under section 3 read with section 5 of the Central Goods and Services Tax Act, 2017 (12 of 2017) and section 3 of the Integrated Goods and Services Tax Act, 2017 (13 of 2017), the Central Government, hereby makes the certain further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 02/2017-Central Tax, dated the 19th June, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 609(E), dated the 19th June, 2017
11/2024-Central Tax	30 <sup>th</sup> May 2024	Seeks to amend Notification No. 02/2017-CT dated 19th June, 2017 to assign district of Kotputli-Behrur to CGST Alwar Commissionerate	In exercise of the powers conferred under section 3 read with section 5 of the Central Goods and Services Tax Act, 2017 (12 of 2017) and section 3 of the Integrated Goods and Services Tax Act, 2017 (13 of 2017), the Central Government, hereby makes the certain further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 02/2017-Central Tax, dated the 19th June, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 609(E), dated the 19th June, 2017

## 3. Circulars (Central Tax) :-

Notification No.	Dated	Heading	Brief
207/01/2024-GST	26 <sup>th</sup> June 2024	Reduction of Government Litigation – fixing monetary limits for filing appeals or applications by the Department before GSTAT, High Courts and Supreme Court	Accordingly, in exercise of the powers conferred by Section 120 of the CGST Act read with section 168 of the CGST Act, the Board, on the recommendations of the GST Council, fixes the following monetary limits below which appeal or application or Special Leave Petition, as the case may be, shall not be filed by the Central Tax officers before Goods and Service Tax Appellate Tribunal (GSTAT), High Court and Supreme Court under the provisions of CGST Act,

			subject to the exclusions mentioned in para 4 below:								
			<table><tr><th>Appellate Forum</th><th>Monetary Limit (amount involved in Rs.)</th></tr><tr><td>GSTAT</td><td>20,00,000/-</td></tr><tr><td>High Court</td><td>1,00,00,000/-</td></tr><tr><td>Supreme Court</td><td>2,00,00,000/-</td></tr></table>	Appellate Forum	Monetary Limit (amount involved in Rs.)	GSTAT	20,00,000/-	High Court	1,00,00,000/-	Supreme Court	2,00,00,000/-
Appellate Forum	Monetary Limit (amount involved in Rs.)										
GSTAT	20,00,000/-										
High Court	1,00,00,000/-										
Supreme Court	2,00,00,000/-										
208/02/2024-GST	26 <sup>th</sup> June 2024	Clarifications on various issues pertaining to special procedure for the manufacturers of the specified commodities	Representations have been received from various trade associations seeking clarity on some issues pertaining to the said special procedure. To ensure uniformity in the implementation of the provisions of law across the field formations, the Board, in exercise of its powers conferred by section 168 (1) of the Central Goods & Services Tax Act, 2017 (herein after referred to as the “CGST Act”), hereby clarifies various issues.								
209/03/2024-GST	26 <sup>th</sup> June 2024	Clarification on the provisions of clause (ca) of Section 10(1) of the Integrated Goods and Service Tax Act, 2017 relating to place of supply	In order to clarify the issue and to ensure uniformity in the implementation of the provisions of law across the field formations, the Board, in exercise of its powers conferred by section 168 (1) of the Central Goods and Services Tax Act, 2017 hereby clarifies various issues								
210/04/2024-GST	26 <sup>th</sup> June 2024	Clarification on valuation of supply of import of services by a related person where recipient is eligible to full input tax credit.	<p>Representations have been received from trade and industry stating that demands are being raised by some of the field formations against the registered persons seeking tax on reverse charge basis in respect of certain activities undertaken by their related persons based outside India, by considering the said activities as import of services by the registered person in India, based on an expansive interpretation of the deeming fiction in S.No. 4 of Schedule I of CGST Act, though no consideration is involved in the said activities and the same are not considered as supplies by the said related person in India. It has been represented that the same treatment, which is being given to domestic related parties/ distinct persons as per clarification provided by Circular No. 199/11/2023-GST dated 17.07.2023, may also be provided in cases where a foreign entity is providing service to its related party located in India, in cases where full ITC is available to the said recipient located in India.</p> <p>In order to clarify the issue and to ensure uniformity in the implementation of the provisions of law across the field formations, the Board, in exercise of its powers conferred by section 168 (1) of the CGST Act, hereby clarifies certain issues.</p>								
211/05/2024-GST	26 <sup>th</sup> June 2024	Clarification on time limit under Section 16(4) of CGST Act, 2017 in respect of	Accordingly, it is clarified that in cases of supplies received from unregistered suppliers, where tax has to be paid by the recipient under reverse charge mechanism								





		RCM supplies received from unregistered persons.	(RCM) and where invoice is to be issued by the recipient of the supplies in accordance with section 31(3)(f) of CGST Act, the relevant financial year for calculation of time limit for availment of input tax credit under the provisions of section 16(4) of CGST Act will be the financial year in which the invoice has been issued by the recipient under section 31(3)(f) of CGST Act, subject to payment of tax on the said supply by the recipient and fulfilment of other conditions and restrictions of section 16 and 17 of CGST Act. In case, the recipient issues the invoice after the time of supply of the said supply and pays tax accordingly, he will be required to pay interest on such delayed payment of tax. Further, in cases of such delayed issuance of invoice by the recipient, he may also be liable to penal action under the provisions of Section 122 of CGST Act.
212/06/2024-GST	26 <sup>th</sup> June 2024	Clarification on mechanism for providing evidence of compliance of conditions of Section 15(3)(b)(ii) of the CGST Act, 2017 by the suppliers	Such certificates issued by the CA/CMA or the undertakings/ certificates issued by the recipient of supply, as the case may be, shall be treated as a suitable and admissible evidence for the purpose of section 15(3)(b)(ii) of the CGST Act, 2017. The supplier shall produce such certificates/undertakings before the tax officers, if required, during any proceedings such as scrutiny, audit, investigations, etc. Even for the past period, where ever any such evidence as per section 15(3)(b)(ii) of CGST Act in respect of credit note issued by the supplier for post-sale discounts is required to be produced by him to the tax authorities, the concerned taxpayer may procure and provide such certificates issued by CA/CMA or the undertakings/ certificates issued by the recipients of supply, as the case may be, to the concerned investigating/audit/adjudicating authority as evidence of requisite reversal of input tax credit by his recipients.
213/07/2024-GST	26 <sup>th</sup> June 2024	Seeking clarity on taxability of re-imbursement of securities/shares as SOP/ESPP/RSU provided by a company to its employees	It is clarified that no supply of service appears to be taking place between the foreign holding company and the domestic subsidiary company where the foreign holding company issues ESOP/ESPP/RSU to the employees of domestic subsidiary company, and the domestic subsidiary company reimburses the cost of such securities/shares to the foreign holding company on cost-to-cost basis. However, in cases where an additional amount over and above the cost of securities/shares is charged by the foreign holding company from the domestic subsidiary company, by whatever name called, GST would be leviable on such additional amount charged as consideration for the supply of services

			of facilitating/ arranging the transaction in securities/ shares by the foreign holding company to the domestic subsidiary company. The GST shall be payable by the domestic subsidiary company on reverse charge basis in such a case on the said import of services.
214/08/2024-GST	26 <sup>th</sup> June 2024	Clarification on the requirement of reversal of input tax credit in respect of the portion of the premium for life insurance policies which is not included in taxable value	<p>Representations have been received from the trade and field formations seeking clarification on the issue as to whether the amount of insurance premium, which is not included in the taxable value as per Rule 32(4) of Central Goods and Services Tax Rules, 2017 (hereinafter referred to as the "CGST Rules") applicable for life insurance business, will be treated as pertaining to an exempt supply/ non-taxable supply and whether the input tax credit availed in respect of such amount shall be required to be reversed or not.</p> <p>In order to clarify the issue and to ensure uniformity in the implementation of the provisions of law across the field formations, the Board, in exercise of its powers conferred by section 168 (1) of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the "CGST Act"), hereby clarifies certain issues.</p>
215/09/2024-GST	26 <sup>th</sup> June 2024	Clarification on taxability of wreck and salvage values in motor insurance claims.	<p>Representations have been received from the trade and field formations seeking clarification as to whether in case of motor vehicle insurance, GST is payable by the insurance company on salvage/ wreckage value earmarked in the claim assessment of the damage caused to the motor vehicle.</p> <p>In order to clarify the issue and to ensure uniformity in the implementation of the provisions of law across the field formations, the Board, in exercise of its powers conferred by section 168 (1) of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as "CGST Act"), hereby clarifies certain issues.</p>
216/10/2024-GST	26 <sup>th</sup> June 2024	Clarification in respect of GST liability and input tax credit (ITC) availability in cases involving Warranty/ Extended Warranty, in furtherance to Circular No. 195/07/2023-GST dated 17.07.2023	Accordingly, it is clarified that in cases, where supply of extended warranty is made subsequent to the original supply of goods, or where supply of extended warranty is to be treated as a separate supply from the original supply of goods in cases referred in Para 5.1.1 above, the supply of extended warranty shall be treated as a supply of services distinct from the original supply of goods, and the supplier of the said extended warranty shall be liable to discharge GST liability applicable on such supply of services
217/11/2024-GST	26 <sup>th</sup> June 2024	Entitlement of ITC by the insurance companies on the	It has been represented by the insurance companies that in case of reimbursement mode of claim settlement, some field

		expenses incurred for repair of motor vehicles in case of reimbursement mode of insurance claim settlement.	<p>formations are raising objections on availment of ITC by insurance companies in respect of repair invoices issued by the non-network garages on insurance companies. It is being claimed by the said field formations that in case of reimbursement mode of claim settlement, there is no credit facility offered by the garages to the Insurance Companies and therefore, the supply of repair service is made by the garage to the insured and not to the insurer. Accordingly, it is being claimed that ITC of repair invoices, in such cases, should not be available to the insurance companies.</p> <p>In order to ensure uniformity in the implementation of the provisions of the law across field formations, the Board, in exercise of its powers conferred by section 168(1) of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the "CGST Act"), hereby clarifies certain issues.</p>
218/12/2024-GST	26 <sup>th</sup> June 2024	Clarification regarding taxability of the transaction of providing loan by an overseas affiliate to its Indian affiliate or by a person to a related person.	<p>Representations have been received from trade and industry seeking clarity on whether there is any supply involved in the transaction of granting of loan by a person to a related person or by an overseas affiliate to its Indian entity, where the consideration being paid is only by way of interest or discount, and whether any GST is applicable on the same.</p> <p>In order to clarify the issue and to ensure uniformity in the implementation of the provisions of law across the field formations, the Board, in exercise of its powers conferred by section 168 (1) of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as "CGST Act"), hereby clarifies certain issues.</p>
219/13/2024-GST	26 <sup>th</sup> June 2024	Clarification on availability of input tax credit on ducts and manholes used in network of optical fiber cables (OFCs) in terms of section 17(5) of the CGST Act, 2017	<p>Representations have been received from Cellular Operators Association of India (COAI) submitting that input tax credit (ITC) is being denied by some tax authorities on ducts and manholes used in network of optical fiber cables (OFCs) on the ground that the same is blocked as per section 17(5) of the Central Goods &amp; Services Tax Act, 2017 (herein after referred to as the 'CGST Act'), being in nature of immovable property (other than Plant and Machinery). It has been requested to issue clarification in respect of availability of ITC on ducts and manholes used in network of optical fiber cables (OFCs), so as to prevent unwarranted litigation in the telecommunication sector across the country.</p> <p>In order to ensure uniformity in the</p>



			implementation of the provisions of law across the field formations, the Board, in exercise of its powers conferred by section 168 (1) of the CGST Act, hereby clarifies certain issues.
220/14/2024-GST	26 <sup>th</sup> June 2024	Clarification on place of supply applicable for custodial services provided by banks to Foreign Portfolio Investors	<p>Representations have been received seeking clarification on the Place of Supply in cases of Custodial Services provided by Banks to Foreign Portfolio Investors (hereinafter referred to as "FPIs"), as a view is being taken by some field formations that the Place of Supply in case of 'custodial service' would be determined as per Section 13(8)(a) of the Integrated Goods and Services Tax Act, 2017 (hereinafter referred to as "IGST Act"), i.e. the location of the service provider (banks or financial institutions).</p> <p>In order to clarify the issue and to ensure uniformity in the implementation of the provisions of law across the field formations, the Board, in exercise of its powers conferred by section 168(1) of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as "CGST Act"), hereby clarifies certain issues.</p>
221/15/2024-GST	26 <sup>th</sup> June 2024	Time of supply on Annuity Payments under HAM Projects	<p>Representations have been received from the trade and the field formations seeking clarification regarding the time of supply in respect of supply of services of construction of road and maintenance thereof of National Highway Projects in Hybrid Annuity Mode (HAM) model, where certain portion of Bid Project Cost is received during construction period and remaining payment is received through deferred payment (annuity) spread over years.</p> <p>In order to clarify the issue and to ensure uniformity in the implementation of the provisions of law across the field formations, the Board, in exercise of its powers conferred by section 168 (1) of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as "CGST Act"), hereby clarifies certain issues.</p>
222/16/2024-GST	26 <sup>th</sup> June 2024	Time of supply in respect of supply of allotment of Spectrum to Telecom companies in cases where an option is given to the Telecom Companies for payment of licence fee and Spectrum usage charges in instalments in addition to an option of upfront payment.	<p>Representations have been received from the trade and the field formations seeking clarification regarding the time of supply for payment of GST in respect of supply of spectrum allocation services in cases where the successful bidder for spectrum allocation (i.e. the telecom operator) opts for making payments in instalments under deferred payment option as per Frequency Assignment Letter (FAL) issued by Department of Telecommunication (DoT), Government of India.</p> <p>In order to clarify the issue and to ensure uniformity in the implementation of the</p>



provisions of law across the field formations, the Board, in exercise of its powers conferred by section 168 (1) of the Central Goods and Services Tax Act, 2017 (hereinafter referred to As “CGST Act”), hereby clarifies certain issues.

#### 4. Instructions/Guidelines :-

Instructions /Guidelines No.	Dated	Heading	Brief
Instruction No. 01/2024-GST	30th May 2024	Guidelines for initiation of recovery proceedings before three months from the date of service of demand order- reg.	While recovery proceedings under sub-section (1) of section 79 of CGST Act are required to be undertaken by the jurisdictional Deputy or Assistant Commissioner of Central Tax, however, in the cases, where it is felt that recovery proceedings in respect of an amount payable by a taxable person in pursuance of an order need to be initiated in the interest of revenue before completion of three months from the date of service of the order, the matter needs to be placed by the jurisdictional Deputy or Assistant Commissioner of Central Tax before the jurisdictional Principal Commissioner/ Commissioner of Central Tax, along with the reasons/ justification for such an action. The jurisdictional Principal Commissioner/ Commissioner of Central Tax shall examine the reasons/justification given by the jurisdictional Deputy or Assistant Commissioner at the earliest and if he is satisfied that it is expedient in the interest of revenue to ask the said taxable person to pay the said amount before completion of three months from the date of service of the order, he must record in writing the reasons as to why the concerned taxable person is required to make payment of such amount within such period, less than a period of three months, as may be specified by him. After Recording such reasons in writing, he may issue directions to the concerned taxable person to pay the said amount within the period specified by him in the said directions. Copy of such directions must also be sent to the jurisdictional Deputy or Assistant Commissioner of Central Tax for information.

Sources \* <https://cbic-gst.gov.in/> as on date 29<sup>th</sup> June 24





## Gallery

**Creative  
Teamwork**  
Symbol  
Developers Think Idea  
Innovate  
Process Business



Grapes

## Beautiful Garden in office premises

Madhumalti Flower



Footwall Lily & Gulad

