R C JAIN AND ASSOCIATES LLP
NEWSLETTER

July 2023

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- **Notification No. 47/2023/F. No. 187/3/2020-ITA-I**

  In exercise of powers conferred by sub-sections (1) and (2) of section 120, the Central Board of Direct Taxes hereby makes the following further amendments in the Notification No.70/2014

  In the said Notification, in Schedule–I, for the row at Sr.No. 2, the following row shall be substituted;

Sr.No.	Director General of Income-tax (Investigation)	Headquarters	Principal Commissioner / Commissioner of Income-tax (Central)	Headquarters
1.	Director General of Income-tax (Investigation), Bengaluru	Bengaluru	(i) Principal Commissioner / Commissioner of Income-tax (Central), Bengaluru (ii) Principal Commissioner / Commissioner of Income-tax (Central), Panaji	Bengaluru Panaji

  This notification shall come into force w.e.f. 10.07.2023.

- **Notification No. 48 /2023/F. No. 300196/4/2014-ITA-I(Pt.-1)**

  1. In exercise of the powers conferred by clause (46) of section 10 the Central Government hereby notifies following specified income arising to Yamuna Expressway Industrial Development Authority:-

     a) Grants received from the State Government

     b) Moneys received from the disposal of land, building and other properties, movable and immovable.

     c) Moneys received by the way of rent & fees or any other charges from the disposal of land, building and other properties, movable and immovable.

     d) The amount of interest earned on the funds deposited in the banks.

     e) The amount of interest/penalties received on the deferred payment received from the allottees of various movable or immovable properties.

2. This notification shall be effective subject to the conditions that Yamuna Expressway Industrial Development Authority,-
    a) shall not engage in any commercial activity;
    b) activities and the nature of the specified income shall remain unchanged throughout the financial years;
    c) shall file return of income in accordance with the provision of clause (g) of sub-section (4C) of section 139 of the Income-tax Act, 1961.
3. This notification shall be given retrospective effect for the financial year 2018-19 to financial year 2022-23.

- **Notification No. 49/2023/F. No.225/79/2019-ITA-II**

In exercise of the powers conferred by sub-section (1C) of section 139, the Central Government makes amendment in the **notification no. 55/2019**,

In the said notification, Clause (a) of the Explanation to first para is substituted as under:

1. "**investment fund**" means any fund established or incorporated in India in the form of a trust or a company or a limited liability partnership or a body corporate which has been granted a certificate of registration as a Category I or a Category II Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, made under the Securities and Exchange Board of India Act, 1992 (15 of 1992) or regulated under the International Financial Services centres Authority (Fund Management) Regulations, 2022 made under the International Financial Services centres Authority Act, 2019 (50 of 2019).

(ii) This notification shall come into force with effect from the date of its publication in the Official Gazette.

- **Notification No. 50/2023/ F. No.370142/22/2023-TPL**

In exercise of the powers conferred by clause (i) of sub-section (3) of section 80LA, clause(4E) of section 10, sub-section (7) of section 115UB, clause (d) of sub-section (8) of section 139A and clause (ii) of sub-section (7) of section 206AA read with section 295,CBDT hereby makes the following rules further to amend the Income-tax Rules, 1962

(i) Short title and commencement.—
In rule 21AK, for sub-rule (1), the following sub-rule shall be substituted

The income accrued or arisen to, or received by, a non-resident as a result of

(a) transfer of non-deliverable forward contracts or offshore derivative instruments or over-the counter derivatives; or

(b) Distribution of income on offshore derivative instruments, under clause (4E) of section 10 of the Act, shall be exempted subject to fulfillment of the following conditions, namely:—

(i) the non-deliverable forward contract or offshore derivative instrument or over-the-counter derivative is entered into by the non-resident with an offshore banking unit of an International Financial Services Centre which holds a valid certificate of registration granted under International Financial Services centres Authority (Banking) Regulations,2020 by the International Financial Services centres Authority; and

(ii) such contract, instrument or derivative is not entered into by the non-resident through on behalf of its permanent establishment in India

(ii) In rule 114AAB, in the Explanation, for clause (a), the following clause shall be substituted,

"**specified fund**" means any fund established or incorporated in India in the form of a trust or a company or a limited liability partnership or a body corporate which has been granted a certificate of registration as a Category I or Category II Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 made under the Securities and Exchange Board of India Act, 1992 (15 of 1992) or regulated under the International Financial Services centres Authority (Fund Management) Regulations, 2022 made under the International Financial Services centres Authority Act, 2019 (50 of 2019) and a specified fund referred to in sub-clause (i) of clause (c) of Explanation to clause (4D) of section 10.

(iii)In the principal rules, in APPENDIX II,—

(i) for Form No. 10CCF, the aforesaid form has been prescribed under section 80LA(3) of the Income-tax Act, 1961

Link for Form 10CCF is:-
https://incometaxindia.gov.in/communications/notification/notification-50-2023.pdf

(ii) In Form No. 64D, —

(A) against serial number 7, for paragraph (i), the following paragraph shall be substituted, namely:—

(i) Whether registered as Alternative Investment Fund with Securities and Exchange Board of India under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 or the International Financial Services Centers Authority (Fund Management) Regulations, 2022:"

(B) in serial number 12, for the paragraph starting with "*Attach a copy of the certificate of registration*" and ending with "*Securities and Exchange Board of India (Alternative*

Investment Funds) Regulations, 2012.", the following paragraph shall be substituted, namely:—
"*Attach a copy of the certificate of registration under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 or the International Financial Services Centres Authority (Fund Management) Regulations, 2022*."

- **Notification No. 51/2023/ F. No. 370142/22/2023-TPL**

1. In exercise of the powers conferred by clause (XI) of the proviso to clause (x) of subsection(2) of section 56 read with section 295, CBDT hereby makes the following rules further to amend the Income-tax Rules,1962, in rule 11UAC,

(i) in sub-rule (4), in the Explanation, for the words "this clause" the words "this sub- rule" shall be substituted;

(ii) after sub-rule (4), the following sub-rule shall be inserted,

2. any movable property, being shares or units or interest in the resultant fund received by the fund management entity of the resultant fund, in lieu of shares or units or interest held by the investment manager entity in the original fund, pursuant to the relocation, subject to the following conditions namely:-

a. not less than ninety per cent of shares or units or interest in the fund management entity of the resultant fund are held by the same entity(ies) or person(s) in the same proportion as held by them in the investment manager entity of the original fund; and

b. not less than ninety per cent of the aggregate of shares or units or interest in the investment manager entity of the original fund was held by such entity(ies) or person(s).

- **Notification No. 52/2023/F.No. 275/17/2023-IT(B)**

In exercise of the powers conferred by sub-section (1F) of section 197A read with clause(34B) of section 10, the Central Government hereby specifies that no deduction of income tax shall be made under section 194 of the Income-tax Act from any income in the nature of dividend paid by any unit of an **International Financial Services Centre, primarily engaged in the business of leasing of an aircraft** (hereinafter referred as payer) to a company, being a Unit of an International Financial Services Centre primarily engaged in the business of leasing of an aircraft (hereinafter referred as payee) subject to the following-

(a) The payee shall, -

(i) furnish a **statement-cum-declaration** and verified in the manner prescribed in Form No. 1 to the payer giving details of previous year relevant to the assessment year in which the dividend income eligible for exemption under clause (34B) of section 10 of Income-tax Act is payable.

(b) The payer shall, -

(i) not deduct tax on payment made or credited to the recipient of such dividend (payee) after the date of receipt of copy of statement-cum-declaration in Form No. 1 from payee; and

(ii) furnish the particulars of all the payments made to the recipient of such dividend on which tax has not been deducted in view of this Notification in the statement of deduction of tax referred to in sub-section(3) of section 200 of the Income-tax Act, read with the rule 31A of the Income-tax Rules, 1962.

This notification shall come into force from 1st September, 2023.

- **Notification No. 53/2023 (F.No. 370142/62/2021-TPL (Part-III)**

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, subsection(i), vide G.S.R. 432(E) dated the 12th June, 2023:—

In the English version, at page number 39, after Annexure I to Form No. 34E, Annexure-II is missing. The following shall be inserted:-

ANNEXURE II

Statement containing the applicant's interpretation of law or facts, as the case may be, in respect of the question(s) on which advance ruling is required
....
....
....
Place ....
Signed Date.................
(Applicant)

- **Circular No. 11 of 2023**

In the Circular No. 10 of 2023 of the Government of India, Ministry of Finance, Department of Revenue (Central Board of Direct Taxes), issued on the 30th June, 2023,-

(i) In paragraph 4(i) and paragraph 5, the words, brackets, letters and figures "clause (i) of sub-section (1G) of section 206C", shall be read as "clause(a) of sub-section(1G) of section 206C"; and

(ii) In paragraph 4(i), the words, brackets, letters and figures "clause (ii) of subsection (1G) of section 206C", shall be read as "clause (b) of sub-section (1 G) of section 206C".For words which have changed kindly refer the Circular No 11 of 2023.

- **Circular No. 12/2023**

CBDT Circular NO.14/2019 dated 03.07.2019 was issued to clarify the taxability of income earned by a non-resident investor from outside India (off-shore investment) routed through investment fund as defined in Explanation

1 To Chapter X11-FB of the Income tax Act, 1961 (the Act). This Circular was made applicable to Category I or Category 11Alternative Investment Funds (AIFs) regulated, under Securities and Exchange Board of India (SEBI) regulations.

(i) By Finance Act. 2023. the definition of 'investment fund' under the Income-tax Act, was amended to include reference to International Financial Services Centres Authority (Fund Management) Regulations, 2022 under International Financial Services Centres Authority (IFSCA) Act. 2019.

(ii) Kindly refer the Circular No.12/2023 for Definition of an Investment Fund. link for the same is:- https://incometaxindia.gov.in/communications/circular/circular-no-12-2023.pdf

- **Circular No.13/2023**

Section 80P of the Income-tax Act, 1961 provides for deduction in respect of income of co-operative societies under Chapter V1A-Part-C ("Deductions in respect of certain incomes") of the Act.

In so far as section 80P of the Act is concerned, Finance Act, 2018 substituted section 80AC of the Act w.e.r. 01 .04.2018 which provides as under -Deduction not be allowed unless return furnished 80AC. Where in computing the total income of an assessee of any previous year relevant to the assessment year commencing on or after-

(i) the 1st day of April, 2006 but before the 1st day of April, 2018, any deduction is admissible under section 80-IA or section 80-IAB or section 80-IB or section 80- IC or section 80-/D or section 80-IE;

(ii) the l[st] day of April, 2018, any deduction is admissible under any provision of this Chapter under the heading "C. - Deductions in respect of certain incomes", no such deduction shall be allowed to him unless he furnishes a return of his income for such assessment year on or before the due date specified under sub-section (1) of section 139.

(iii) Applications have been received in the Central Board of Direct Taxes (hereafter referred to as 'the Board') from co-operative societies claiming deduction u/s 80P of the Act for various assessment years from A Y 20 18-19 to A Y 2022-23, regarding condonation of delay in furnishing return of income and to treat such returns as 'returns furnished within the due date under subsection (I) of section 139 of the Act stating that delay in furnishing return of income was caused due to delay in getting the accounts audited under respective State Laws.

(iv) In order to mitigate genuine hardship in cases referred to in para 3, the Board, in exercise of

other powers conferred under section 119 of the Act, hereby directs that the Chief Commissioners of Income tax (CCs/T) / Directors General of income tax (DGsIT) are authorized to deal with such applications of condonation of delay pending before the Board, upon transfer of such applications by the Board, and decide such applications on merits, in accordance with the law.

(v) The Board hereby further directs that the CCsIT/DGsIT, henceforth, shall admit all pending as well as new applications for condonation of delay in furnishing returns of income claiming deduction u/s 80P of the Act, filed either in the Board or in field formation for the assessment years 2018-19 to 2022-23 and decide such applications on merits in accordance with the law where such person is required to get his accounts audited under respective State Laws.

(vi) In the context of paras above, the CCslT/DGsIT while deciding such applications for condonation of delay in furnishing return of income, shall satisfy themselves that the applicant's case is a fit case for condonation under the existing provisions of the Act. The CCslT/DGsIT shall examine the following while deciding such applications –

a. the delay in furnishing the return of income within the due date under sub-section (I) of section 139 of the Act was caused due to circumstances beyond the control of the assessee with appropriate documentary evidence/s;

b. where delay in furnishing return of income was caused due to delay in getting the accounts audited by statutory auditors appointed under the respective State Law under which such person is required to get his accounts audited, the date of completion of audit vis-a-vis the due date of furnishing the return of income under sub-section (I) of section 139 of the Act; and

c. any other issue indicating towards tax avoidance or tax evasion specific to the case, which comes into the light in the course of verification and having bearing either in the relevant assessment year or establishing connection of relevant assessment year with other assessment year/s.

(vii) The CCslT/DGslT shall preferably dispose the application within three months from the end of the month in which such application is received from the applicant or transferred by the Board. No order rejecting the application under section 119(2)(b) of the Act shall be passed without providing the applicant an opportunity of being heard

- **Circular No. 14 of 2023**

Sugar factories operating in the co-operative sectors in certain States of India pay to sugarcane growers a final amount, often referred to as Final Cane Price (FCP) which is over and above the Statutory Minimum Price (SMP) fixed by the Central Government under the Sugarcane Control Order, 1996.

1. The payment of FCP by the co-operative sugar factories over and above the SMP for purchase of sugarcane had resulted into tax litigation. The co-operative sugar factories were claiming this excess payment as business expenditure whereas the same has been disallowed in the

assessment on the ground that the excess price paid for purchase of sugar cane over and above SMP is in the nature of appropriation/distribution of profit and hence not allowable as deduction.

2. In order to provide certainty in this matter and to encourage co-operative movement in sugar sector, a new clause (xvii) was inserted to amend sub-section (1) of section 36 of the Income-tax Act (hereinafter referred to as 'Act') to provide that the amount paid for purchase of sugarcane by the co-operative societies engaged in the manufacture of sugar at a price which is equal to or less than the price fixed by or fixed with the approval of the Government shall be allowed as deduction for computing business income of the sugar co-operative factories. The said amendment came into force through the Finance Act 2015 w.e.f. 01.04.2016 and was applicable from A. Y. 2016-17 onwards. Pending demands and litigation still persisted in respect of AY prior to 2016-17.

3. Therefore, to conclude the matter logically and to extend the benefit of the abovementioned relief to all the applicable years, section 155 of the Act has been amended to insert a new subsection (19) vide Finance Act, 2023, w.e.f. of st April 2023. It provides that in the case of a sugarmill cooperative, where any deduction in respect of any expenditure incurred for the purchase of sugarcane has been claimed by an assessee and such deduction has been disallowed wholly or partly in any previous year commencing on or before the 1st day of April, 2014, the Assessing Officer shall, on the basis of an application made by such assessee in this regard, recompute the total income of such assessee for such previous year. The Assessing Officer shall allow such deduction to the extent such expenditure is incurred at a price which is equal to or less than the price fixed or approved by the Government for that previous year. Also, it provides that the provisions of section 154 of the Act shall, so far as may be, apply thereto, and the period of four years specified in sub-section (7) of said section 154 shall be reckoned from the end of previous year commencing on the 1 st day of April, 2022.

4. In order to standardize the manner of filing application to the Jurisdictional Assessing Officer under sub-section (19) of section 155 of the Act and its disposal by the Jurisdictional Assessing Officer under the said section, following SOP has been outlined.

(a) The applicant must be a "co-operative society", as defined in sub-section (19) of section 2 of the Income-tax Act, engaged in the business of manufacturing of sugar. The co-operative society (referred to as "such co-operative society" hereinafter) seeking relief under sub-section (19) of section 155 of the Act should file an application to the Jurisdictional Assessing Officer

(b) The application by such co-operative society can be filed for A Y 2015-16 or any earlier assessment year (AY).

(c) The Jurisdictional Assessing Officer may seek the following documents for the purpose of recomputation under sub-section (19) of section 155 of the Act:

(i) Computation of tax, audit report u/s. 44AB of the Act, audited Profit & Loss Account and Balance Sheet.

(ii) Assessment Order/Appellate Order(s) of various appellate for, as applicable, with respect to the disallowance made on account of excess price paid for purchase of sugarcane above the Statutory Minimum Price (SMP).

(iii) Notice of Demand issued under section 156 of the Act.

(iv) Challan of taxes paid, if any.

(v) Copy of Order(s)/Other legal instrument(s) regarding price fixation by Government based on which excess price was paid for purchase of sugarcane over and above Statutory Minimum Price (SMP).

(vi) Documentary evidence regarding registration of co-operative society under State/Central Act.

(vii) Any other document as considered necessary by the Jurisdictional Assessing Officer for the purposes of recomputation of total income under sub-section (19) of section 155 of the Act.

(d) The Jurisdictional Assessing Officer shall recompute the total income of such co-operative society under the provisions of sub-section (19) of section 155 read with section 154 of the Act. Further, the rectification under sub-section (19) of section 155 r.w.s. 154 of the Act can only be made till 31.03.2027.

(e) The Jurisdictional Assessing Officer shall pass an order under s. 155(19) r.w.s. 154 of the Act within a period of six months from the end of the month in which the application is received by him

~ Compiled by Sanika Varal

Case Laws:

A. Apex Remedies (P.) Ltd vs Income Tax Officer, Ward-1(1)(1).

1) Issue Involved:

Where assessee sold immovable property comprising of industrial plot of land along with industrial shed (building) constructed thereon and disclosed sale consideration from said transaction in return which was bifurcated under head building and under head land, since assessee had already paid STCG and LTCG respectively on sale of building and land, assessment could not be reopened on ground that capital gains from sale of land were not disclosed in its return of income.

In the ITAT of Mumbai, in the case of Apex Remedies (P.) Ltd vs. Income Tax Officer, Ward-1(1)(1)

Held:

The Section 69A, read with section 148 of the Income-tax Act, 1961 - Unexplained moneys -(Reassessment) - Assessment year 2014-15 - Assessee sold immovable property comprising of industrial plot of land along with industrial shed (building) constructed thereon - assessee filed return disclosing LTCG on sale of non-depreciable land and STCG on building -Assessing Officer after receiving information from Investigation Wing with respect to purchase of land by one P from assessee observed that assessee had not shown capital gains from sale of land in return of income - He, thus, issued reopening notice on ground that income had escaped assessment - Whether since assessee had already disclosed sale consideration from transaction and had bifurcated said amount under head building and under head land, further more assessee had also paid STCG and LTCG, it could not be said that taxable income had escaped assessment and impugned reopening notice was to be quashed - Held, yes [Paras 25 and 26][In favour of assessee] assessee

B. Shrikant Ghanshyam Shah v. Int. Tax., Ward-4(2)(1), Mumbai

Issue Involved:

Where assessee sold two immovable properties but offered capital gain tax on one transaction and capital gain on second property was mistakenly declared in his wife's return, with taxes duly paid, Assessing Officer of assessee was to be directed to inform Assessing Officer of assessee's wife to revise her assessment and refund any excess taxes paid along with interest till this date and as soon as refund is initiated, present Assessing Officer may initiate recovery of demand against assessee

In the ITAT of Mumbai, in the case of Shrikant Ghanshyam Shah v. Int. Tax.,

Ward-4(2)(1), Mumbai

Held:

On appeal by the Assessee to the Tribunal and held as under:

The Section 48, read with section 148, of the Income-tax Act, 1961 - Capital gains – Computation of (Sale of property) - Assessment year 2013-14 - Assessee filed its original return of income declaring capital gains on sale of one property - Subsequently, Assessing Officer received information that assessee had sold two immovable properties during year under consideration but offered capital gain tax on one transaction, hence, he issued notice under section 148 - Assessee claimed that omission was due to a tax consultant's error, as capital gain on second property was mistakenly declared in his wife's return, with taxes duly paid - Assessing Officer however, rejected submissions made by assessee and proceeded to make addition in hands of assessee - DRP sustained addition made by Assessing Officer

It was noticed that both assessee as well as assessee's wife were falling under same tax bracket - Further, even though Assessing Officer had come to know that assessee had failed to declare above said transaction in his return of income, however, he was aware of fact that same income was declared by wife of assessee, even though property was not in name of assessee's wife and same was duly accepted by revenue and assessed to tax - Whether since intention of legislature is not to tax twice on same transaction, Assessing Officer of assessee was to be directed to inform Assessing Officer of assessee's wife to revise her assessment and refund any excess taxes paid along with interest till this date and as soon as refund is initiated, present Assessing Officer may initiate recovery of demand arising out of assessment in present case [Partly in favour of assessee]

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~ Compiled by Neer Jain

- **Notification No. 22/2023-Central Tax**

In case the composition dealers file their annual returns in form GSTR 4 till 31st August 2023 then the late fees in excess of Rs 25 and in excess of Rs 10 for Nil returns stands waived.

Particulars	Late fees payable	
	GSTR 4 filed by 31st August 2023	GSTR 4 filed after 31st August 2023
Nil returns	10 per day of delay	100 per day of delay
Liability returns	Rs 25 per day of delay	100 per day of delay

These late fees are payable to the maximum of quarter per cent of turnover

- **Notification No. 23/2023-Central Tax**

The tax payers can now revoke their GST number by filing their all pending returns till 31st August 2023. This helps them to reinstate their GST number without filing of Appeal and also the taxpayers whose time limit for filing of appeal has passed away can benefit from this.

- **Notification No. 24/2023-Central Tax**

In case there is default in filing of returns and assessment order has been issued for the same, then the assessment order stands to be withdrawn on filing of all pending returns by taxpayer

- **Notification No. 25/2023-Central Tax**

In case the taxpayer furnishes their annual returns in form GSTR 9 till 31st August 2023 then the late fees in excess of Rs 25 and in excess of Rs 10 for Nil returns stands waived.

Particulars	Late fees payable	
	GSTR 9 filed by 31st August 2023	GSTR 9s filed after 31st August 2023
Turnover upto Rs 5 crores	10,000	25 per day of delay , maximum 0.02 percent of turnover.
Turnover above Rs 5 crore	10,000	50 per day of delay , maximum of 0.02 percent of turnover.

- **Notification No. 26/2023-Central Tax**

The Central Government on the recommendations of Council hereby waives the amount of late fee in excess of Rs. 5,000/- who fails to furnish the Final return GSTR-10 within the due date only if the said return is filed till 31st August,2023.

Particulars	If filed by 31st August 2023	If filed after 31st August 2023.
Late fee for GSTR 10	500/-	Rs 100 per day of delay maximum Rs 5,000.

- **Notification No. 27/2023-Central Tax**

Central Government hereby appoints 01st October 2023 as the date from which the provisions of section 123 (Penalty for failure to furnish information return) comes in force.

As per section 123, If a person who is required to furnish an information return under section 150 (Obligation to furnish Information return) fails to do so within the period specified in the notice issued under sub-section (3) thereof, the proper officer may direct that such person shall be liable to pay a penalty of one hundred rupees for each day of the period during which the failure to furnish such return continues:

Provided that the penalty imposed under this section shall not exceed five thousand rupees.

- **Notification No. 28/2023-Central Tax**

It specifies that certain sections of the Act will be enforced on different dates: sections 137 to 162 (excluding 149 to 154) will come into effect on October 1, 2023, while sections 149 to 154 will be implemented from August 1, 2023

This **Notification No. 29/2023-Central Tax**, issued under the authority of Section 148 of the Central Goods and Services Tax Act, 2017, outlines a special procedure for registered individuals or officers mentioned in Section 107(2) of the Act who intend to appeal an order issued by the proper officer under Section 73 or 74 of the same Act. The procedure is based on Circular No. 182/14/2022-GST dated November 10, 2022, in compliance with directions from the Hon'ble Supreme Court in the case of Union of India v/s Filco Trade Centre Pvt. Ltd., SLP(C) No.32709-32710/2018.

The key points of this procedure are:

1. The appeal must be submitted in duplicate using the Form provided in the notification (ANNEXURE-1) and should be manually presented before the Appellate Authority. The time limit for submission is determined by Section 107(1) or 107(2) of the Act, starting from the date of issuance of this notification or the date of the relevant order, whichever is later.

2. Appeals filed in accordance with Section 107 of the Act before the issuance of this notification are considered valid under this procedure.

3. No deposit is required as a pre-condition for filing an appeal against the order, as mandated by Section 107(6) of the Act.

4. The appeal should be accompanied by pertinent documents, including a self-certified copy of the order. These documents must be signed by the person specified in sub-rule (2) of rule 26 of the Central Goods and Services Tax Rules, 2017.

5. Upon receiving an appeal that meets the requirements outlined in the notification, an acknowledgment with the appeal number will be manually issued in Form GST APL-02 by the Appellate Authority or an authorized officer. The appeal will be officially considered filed only after this acknowledgment is issued.

- **NO. 30/2023–CENTRALTAX**

S.O.(E).—In exercise of the powers conferred by section 148 of the Central Goods and Services Tax Act,2017 (12 of 2017) (hereinafter referred to as the said Act), the Central Government, on the recommendations of the Council, hereby notifies the following special procedure to be followed by a registered person engaged in manufacturing of the goods, the description of which is specified in the corresponding entry in column (3) of the Schedule appended to this notification, and falling under the tariff item, sub- heading, heading or Chapter, as the case may be, as specified in the corresponding entry in column (2) of the said Schedule, namely: —

1. Details of Packing Machines

(1) All the existing registered persons engaged in manufacturing of the goods mentioned in Schedule to this notification shall furnish the details of packing machines being used for filling and packing of pouches or containers in FORM SRM-I, within 30 days of issuance of this notification, electronically on the common portal, —

(2) Any person intending to manufacture goods as mentioned in Schedule to this notification, and who has been granted registration after the issuance of this notification, shall furnish the details of packing machines being used for filling and packing of pouches or containers in FORM SRM-I on the common portal, within fifteen days of grant of such registration.

(3) The details of any additional filling and packing machine being installed in the registered place of business shall be furnished, electronically on the common portal, by the said registered person within 24 hours of such installation in FORM SRM-IIA.

(4) Upon furnishing of such details in FORM SRM-I or FORM SRM-IIA, a unique ID shall be generated for each machine, whose details have been furnished by the registered person, on the common portal.
(5) In case, the said registered person has submitted or declared the production capacity of his manufacturing unit or his machines, to any other government department or any other agency or organization, the same shall be furnished by the said registered person in **FORM SRM-IA** on the common portal, within fifteen days of filing said declaration or submission:

Provided that where the said registered person has submitted or declared the production capacity of his manufacturing unit or his machines, to any other government department or any other agency or organization, before the issuance of this notification, the same shall be furnished by the said registered person in **FORM SRM-IA** on the common portal, within thirty days of issuance of this notification.

(6) The details of any existing filling and packing machine removed from the registered place of business shall be furnished, electronically on the common portal, by the said registered person within 24 hours of such removal in **FORM SRM-IIB**.

2. Additional records to be maintained by the registered persons manufacturing the goods mentioned in the Schedule

(1) Every registered person engaged in manufacturing of goods mentioned in Schedule shall keep a daily record of inputs being procured and utilized in quantity and value terms along with the details of waste generated as well as the daily record of reading of electricity meters and generator set meters in a format as specified **in FORM SRM-IIIA** in each place of business.

(2) Further, the said registered person shall also keep a daily shift-wise record of machine-wise production, product-wise and brand-wise details of clearance in quantity and value terms in a format as specified in FORM SRM-IIIB in each place of business

3. Special Monthly Statement

(1) The said registered person shall submit a special statement for each month in **FORM SRM-IV** on the common portal, on or before the tenth day of the month succeeding such month.

- **No. 31/2023- Central Tax**

This official notification, issued under the authority of sub-rule (4B) of rule 8 of the Central Goods and Services Tax Rules, 2017, signifies that the Central Government, following recommendations from the Council, is introducing further changes to the notification issued by the Government of India, Ministry of Finance (Department of Revenue), numbered 27/2022-Central Tax, dated December 26, 2022. This notification was previously published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), under G.S.R. number 903(E), dated December 26, 2022. The amendment entails the addition of the phrase "and the State of Puducherry" after the existing mention of the "State of Gujarat" within the said notification.

- **No. 32/2023 – Central Tax**

This official notification, identified as G.S.R. (E), is issued in accordance with the authority provided by the first proviso to section 44 of the Central Goods and Services Tax Act, 2017 (12 of 2017). The Commissioner, acting on the Council's recommendations, grants an exemption to registered individuals whose total turnover in the financial year 2022-23 does not exceed two crore rupees. These individuals are relieved from the obligation of filing an annual return for the aforementioned financial year.

- **No. 33/2023 – Central Tax**

In accordance with the powers granted by section 158A of the Central Goods and Services Tax Act, 2017, and section 20 of the Integrated Goods and Services Tax Act, 2017, the Central Government, acting on the recommendations of the Council, has officially designated "Account Aggregator" as the authorized systems for sharing information through the common portal based on consent under Section 158A of the Central Goods and Services Tax Act, 2017. This notification will be effective from October 1, 2023.

To clarify, an "Account Aggregator" refers to a non-financial banking company engaged in the business of an Account Aggregator in line with the policy directions issued by the Reserve Bank of India under section 45JA of the Reserve Bank of India Act, 1934. This definition is in accordance with the Non-Banking Financial Company - Account Aggregator (Reserve Bank) Directions, 2016. This step is aimed at enhancing efficiency and data-sharing processes within the GST framework. The notification underscores the collaboration between various entities to streamline and facilitate information exchange while ensuring compliance with regulatory guidelines.

- **No. 34/2023- Central Tax**

This notification, denoted as G.S.R. ...(E), is enacted in accordance with the powers bestowed by sub-section (2) of section 23 of the Central Goods and Services Tax Act, 2017 (referred to as the said Act). The Central Government, upon the recommendation of the Council, designates certain individuals engaged in supplying goods through an electronic commerce operator, subject to tax collection at source under section 52 of the said Act. These individuals are exempted from obtaining registration under the said Act, provided they meet specific conditions as outlined below:

1. They must not engage in inter-State supply of goods.

2. Their supply of goods through an electronic commerce operator should be limited to a single State or Union territory.

3. They are required to possess a Permanent Account Number (PAN) issued under the Income Tax Act, 1961

4. Prior to conducting any supply through an electronic commerce operator, they need to

declare their PAN, business address, and the State or Union territory of operation on the common portal. This information will be subject to validation on the portal.

5. After successful validation, they will be granted an enrolment number on the common portal.

6. They are eligible for only one enrolment number in a State or Union territory.

7. They are not permitted to make any supply through an electronic commerce operator without a valid enrolment number.

8. If they subsequently obtain registration under section 25 of the said Act, the enrolment number becomes invalid from the effective date of registration.

This notification will be effective from October 1, 2023. It specifies the criteria for exemption from registration for individuals engaged in limited electronic commerce activities, thus streamlining processes and facilitating compliance within the GST framework.

~ Compiled by Shaikh Usama

1. RBI/2023-24/51
   DOR.CRE.REC.No.27/07.10.002/2023-24
   July 25,2023

All Primary (Urban) Co-operative Banks - Management of Advances – UCBs

1. Introduction

Primary Urban Cooperative Banks (UCBs) must establish transparent policies and guidelines for credit dispensation, with board approval, considering credit exposure norms and Reserve Bank of India guidelines. The bank's loan policy must be reviewed by the Board at least once a financial year to align with internal risk appetite and regulations

2. Working Capital Requirements

The working capital requirement assessment for borrowers, except micro and small enterprises, is based on their projected annual turnover. The assessment is 25% of the projected turnover, with the borrower contributing 5% as Net Working Capital (NWC) and the bank providing finance at a minimum of 20%. Banks can use either a projected turnover basis or traditional methods. If the credit requirement is higher than the projected turnover basis, the borrower must be financed up to 20% of their projected annual turnover. Actual drawals may be allowed based on drawing power determined by UCBs. Banks must ensure timely submission of monthly statements and periodic verification of physical stocks. UCBs may determine working capital requirements based on borrowers' credit needs, adopting methods such as turnover or cash budgeting.

3. Loan System for Delivery of Bank Credit

The guidelines for working capital finance include a loan component of 80% and a cash credit component of 20%. UCBs can adjust the composition of working capital by increasing the cash credit or loan components, taking into account cash and liquidity management. For borrowers with less than 10 crore working capital, banks may offer lower interest rates on the loan component. Ad hoc credit limits can be considered after the borrower has exhausted the existing limit. Banks must have a detailed policy on loan policy and credit risk management, and capture data on regular and ad hoc credit facilities.

1	Credit Administration
2	Exchange of credit information
6	Prudential Guidelines on Restructuring of Advances
4	Specific Lending Activities
5	Discounting/Rediscounting of Bills by Banks
6	Loans to Self Help Groups (SHGs) / Joint Liability Groups (JLGs)
7	Revival of Interest Tax Act, 1974
8	Relief measures to be extended in areas affected by natural calamities

Annex - 1 Guidelines on Valuation of Properties – Empanelment of Valuers
Annex - 2 Recommendations of the Committee to Recommended Data Format of Credit Information to Credit Information Companies (CICs)
Annex - 3 Credit information reporting in respect of Self Help Group (SHG) members
Annex - 4 Format for reporting of borrowal accounts classified as doubtful, loss for suit filed with outstanding of ₹1crore and above and Format for reporting of information on cases of wilful default of Rs 25 lakh and above
Annex - 5 Definition of Micro, Small and Medium Enterprises
Annex - 6 Safeguards-Advances against pledge of Gold/Silver ornaments
Annex - 7 Guidelines for Relief Measures by Banks in Areas Affected by Natural Calamities
Appendix List of circulars consolidated in the Master Circular

~ Compiled by Yagnik Koriya

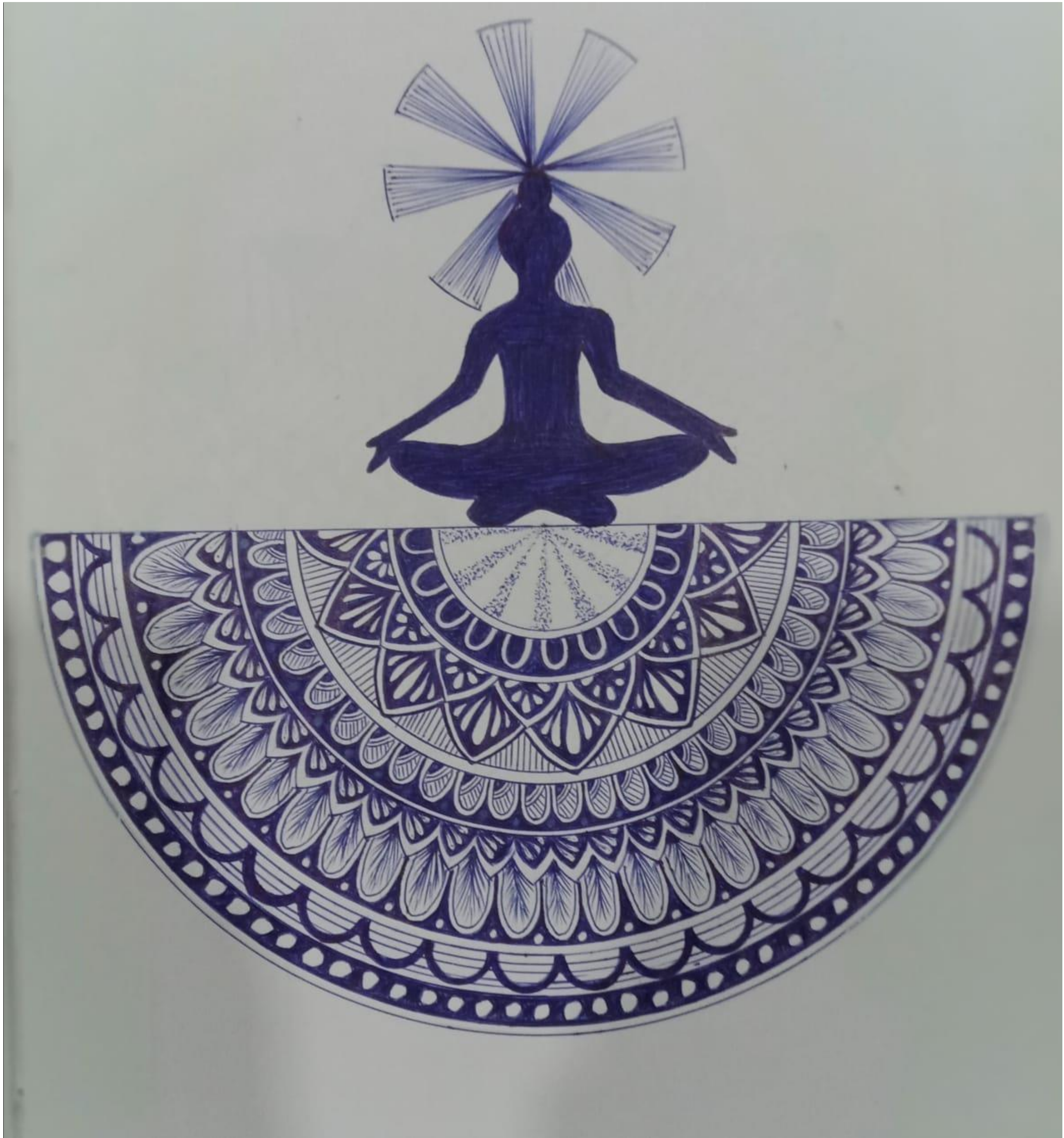
- **MERGER OF MULTIPLE USER IDS IN V-2 PORTAL WITH NEW USER ID IN V-3 AND DEACTIVATION OF OLD USER ID IN V-2 PORTAL**

It has come to the notice of this Ministry that many members of the three institutes viz. Institute of Chartered Accountants of India, Institute of Cost Accountants of India and Institute of Company Secretaries of India have created multiple user IDs while transacting on existing MCA21 V2 portal. Further many members are not able to create user ID in the new MCA21 V3 portal due to an existing ID about which either they do not have any knowledge, or they do not remember that such an ID has been or was created in existing V2 portal.

It has been decided that all such members may approach the respective institutes with their credentials and the institute shall make recommendations for merging multiple existing user IDs with the ID created in V3 portal or for deactivation of the old user IDs in V2, to enable desirous members to create a new ID in V3 portal. The necessary changes in the user ID in V3 portal in such cases shall be done based on recommendations forwarded by the President or Vice-president of the institute to ddegov@mca.qov.inin

~ Compiled by Sarita Singh

#HUNAAR ART



~ Priya Suthar

Allow us to tell you more!

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