

JDPro – Compliances update

January 2024

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JDP & Co
Chartered Accountants



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1. GOOD & SERVICES TAX (GST)



GOOD & SERVICES TAX (GST) - 1/3

1. Amendment to increase the age limit of the President and Member of GST Appellate Tribunal.

The CBIC on December 28, 2023, issued CGST (2nd Amendment) Act, 2023 to further amend the CGST Act, 2017 wherein the Section 110 which deals with the qualification, appointment, conditions of service, etc of President and members of GST Appellate Tribunal (GSTAT).

The following amendments has been carried out

- 1) Insertion of new conditions to the exiting conditions on the appointment of the judicial members
 - a. has been an advocate for ten years with substantial experience in litigation in matters relating to indirect taxes in the Appellate Tribunal, Customs, Excise and Service Tax Appellate Tribunal, State Value Added Tax Tribunal, by whatever name called, High Court or Supreme Court;
- 2) Insertion of the new provision: "Provided that a person who has not completed the age of fifty years shall not be eligible for appointment as the President or Member."
- 3) Substitution of the following :
 - a. Notwithstanding anything contained in any judgment, order, or decree of any court or any law for the time being in force, the President of the Appellate Tribunal shall hold office for a term of four years from the date on which he enters upon his office, or until he attains the age of ~~sixty-seven years, whichever is earlier and shall be eligible for re-appointment for a period not exceeding two years~~ seventy years, whichever is earlier and shall be eligible for re-appointment for a period not exceeding two years subject to the age-limit specified above.
 - b. Notwithstanding anything contained in any judgment, order, or decree of any court or any law for the time being in force, the Judicial Member, Technical Member (Centre) or Technical Member (State) of the Appellate Tribunal shall hold office for a term of four years from the date on which he enters upon his office, or until he attains the age of ~~sixty-five years, whichever is earlier and shall be eligible for re-appointment for a period not exceeding two years~~ sixty-seven years, whichever is earlier and shall be eligible for re-appointment for a period not exceeding two years subject to the age-limit specified above.

GOOD & SERVICES TAX (GST) - 2/3

2. CBIC through Notification no. 56/2023-Central tax has extended to issue the assessment order under Section 73 of the CGST Act

On the recommendation of the GST Council, the government through CBIC has notified the extension of the time limit to issue the assessment order by the proper officer under the Section 73 CGST Act for the recovery of tax not paid or short paid or of input tax credit wrongly availed or utilized, relating to the period as specified below

- a. for the financial year 2018-19, up to the 30th day of April 2024;
- b. for the financial year 2019-20, up to the 31st day of August, 2024

3. Form GSTR-3B filing due date extension for the month of November 2023

CBIC through notification no. 55/2023- Central tax has extended the due date for furnishing the return in FORM GSTR-3B for the month of November 2023 till the 27th day of December 2023, for the registered persons whose principal place of business is in the districts of Chennai, Tiruvallur, Chengalpattu and Kancheepuram in the state of Tamil Nadu and are required to furnish return under sub-section (1) of section 39 read with clause (i) of sub-rule (1) of rule 61 of the Central Goods and Services Tax Rules, 2017. Aadhaar Number

4. GSTIN Advisory for two factor authentication for taxpayers

- a. GSTN is introducing two-factor authentication (2FA) for taxpayers to strengthen the login security in GST portal. The pilot rollout has been done for a state of Haryana and working seamlessly. Currently, 2FA will be rolled out for Punjab, Chandigarh, Uttarakhand, Rajasthan and Delhi in 1st phase. In 2nd phase, it is planned to be rolled out all states across India.
- b. Taxpayers would need to provide one-time password (OTP) post entering user id and password, the OTP will be delivered to their Primary Authorized Signatory "Mobile number and E-mail id".
- c. Tax-payers are requested to keep their email and mobile number of authorized signatory updated on the GST Portal for receiving the OTP communication. This OTP would only be asked, in case the taxpayer changes the system (desktop or laptop or browser) and location.
- d. The solution would be rolled out from 1st of December'2023. The biometric authentication and document verification will be done at the GSK, for all the required individuals per the GST application Form REG-01.

GOOD & SERVICES TAX (GST) - 3/3

5. GSTIN Advisory on the Date extension for reporting opening balance for ITC reversal

- a. In order to facilitate the taxpayers in correct and accurate reporting of ITC reversal and reclaim thereof and to avoid clerical mistakes, a new ledger namely Electronic Credit and Re-claimed Statement was introduced on the GST portal. This statement was made available to help the taxpayers in tracking their ITC that has been reversed in Table 4B(2) and thereafter re-claimed in Table 4D(1) and 4A(5). Kindly click [here](#) for the detailed advisory provided earlier.
- b. Now to facilitate taxpayers further, opportunity to declare opening balance for ITC reversal in the statement has been extended till 31st January, 2024.
- c. Kindly note that after declaring the opening balance for ITC reversal, only three amendment opportunities post the declaration will be provided to correct declared opening balance in case of any mistakes or inaccuracies in reporting.
- d. Facility to amend declared opening balance for ITC reversal will be available till 29th February, 2024.

2. DIRECT TAX



DIRECT TAX - 1/3

1. Guidelines issued by CBDT for the Section 194-O- TDS by E-Commerce Operators (ECO)

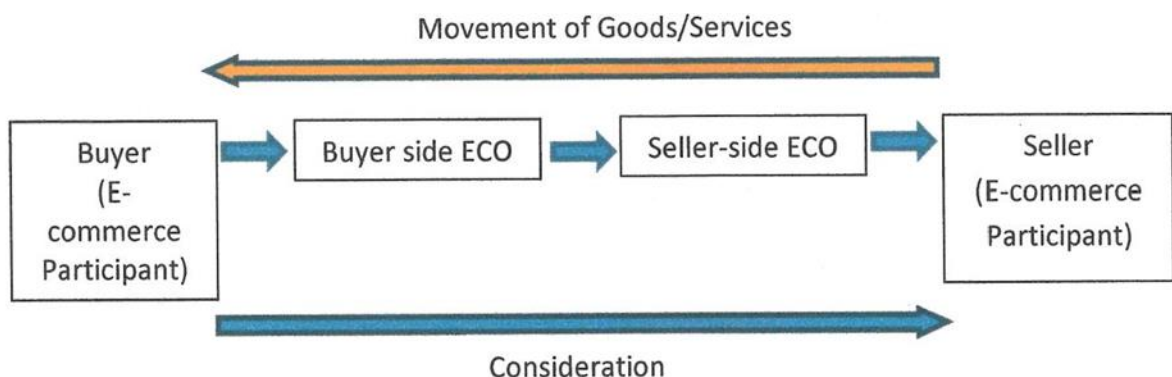
Upon representations received by the Board for further clarifications in addition to the clarification provided vide Circular 17/2020 and 20/2021, the CBDT with approval of the government has notified the circular no 20/2023 for the following guidelines

Who should withhold tax at source u/s 190-O where there are multiple ECOs involved in a transaction?

Such a situation might arise in case of a platform or network (e.g. the open network for digital commerce) wherein multiple ECOs are participating in a single transaction of sale of goods / services through the platform / network. For example, there could be a buyer side ECO involved in buyer side functions and a seller side ECO involved in seller side functions.

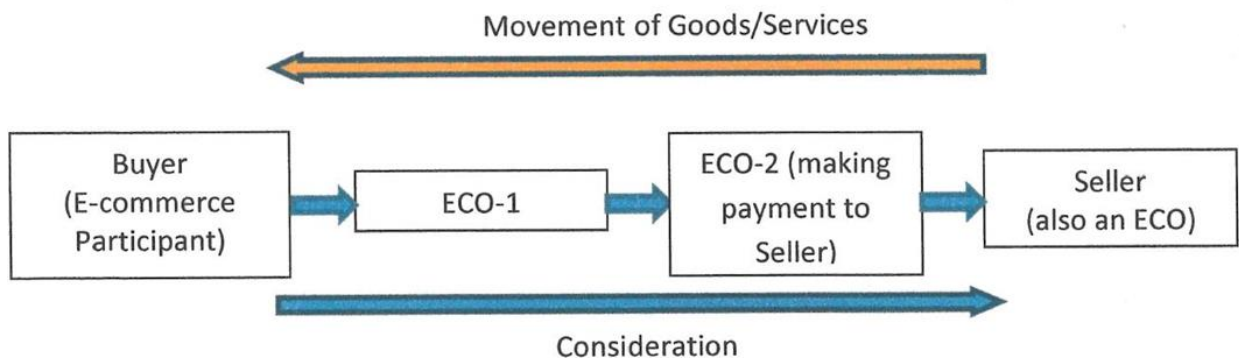
In this case there might be 2 situations:

Situation 1 - Where the seller-side ECO is not the actual seller of goods / services. In this situation, withholding of tax u/s 194-O is required to be done by the sellerside ECO who finally makes the payment to the seller. The seller-side ECO would file the requisite withholding tax return in Form 26Q and issue certificate to the seller in Form 16A



DIRECT TAX - 2/3

Situation 2 - Where the seller-side ECO is the actual seller of goods / services. In this situation, withholding of tax u/s 194-O is required to be done by the ECO which finally makes the payment to the seller for goods/services sold, which in the case mentioned below is ECO-2. The ECO 2 would file the requisite withholding tax return in Form 26Q and issue certificate to the seller in Form 16A.



Operation of section 194-O in some other situations

The guidelines contemplate some other situations as well (given below) and explain in detail how section 194-O would operate in such cases, including illustrations.

- ECOs may be levying convenience fees or charging commission for each transaction and seller might levy logistics and delivery fees for the transaction. Payments may also be made to the platform or network provider for facilitating the transaction. Whether these would form part of 'gross amount' for the purpose of withholding tax u/s 194-O or the Act?
- How will GST, various state levies and taxes other than GST (such as Value Added Tax/ Sales tax / Excise duty / Central Sales Tax) be treated when calculating 'gross amount' of sale for the purpose of section 194-O?
- How will adjustment for purchase-returns take place?
- How will discounts given by seller as an E-Commerce Participant or by any of the multiple ECOs be treated while calculating 'gross amount' for the purpose of section 194-O?

DIRECT TAX - 3/3

2. CBDT Notifies additional forms or modes of investment or deposit by a charitable trust or religious trust or institution.

The CBDT through notification no. 103/2023 has amended the Rule 17C relating to the additional forms or modes of investment or deposit by a charitable trust or religious trust or institution to include the Investment by way of acquiring units of POWERGRID Infrastructure Investment Trust shall be eligible.

3. CBDT amends the Income Tax Rules with respect to the Safe Harbour Rules for International taxations through notification 104/2023

The following definitions has been amended

- a. '(f) "intra-group loan" means loan advanced to an associated enterprise being a non-resident, where the loan—
 - i. is not advanced by an enterprise, being a financial company including a bank or a financial institution or an enterprise engaged in lending or borrowing in the normal course of business; and
 - ii. does not include credit line or any other loan facility which has no fixed term for repayment
- b. in clause (j), for sub-clause (vi), the following sub-clause shall be substituted, namely:-

"(vi) loss on transfer of assets or investments other than assets, on which depreciation is included in the operating expense;"
- c. in clause (k), for sub-clause (iii), the following sub-clause shall be substituted, namely:-

"(iii) income on transfer of assets or investments other than assets, on which depreciation is included in the operating expense;"

4. CBDT notifies ITR-1, ITR-4 forms for AY 2024-25

CBDT through Notification no. 105/2023 has notified the effective date of the Forms ITR-1 and ITR-4 for AY 2024-25.

ITR-1 (SAHAJ) is to be used by individuals with total income up to Rs 50 lakh, having income from salaries, one house property, other sources (like interest) and agricultural income up to Rs 5,000.

ITR-4 (SUGAM) is applicable to individuals, HUFs and firms (other than LLPs) with total income up to Rs 50 lakh and income from business and profession computed under Sections 44AD, 44ADA or 44AE.

<https://incometaxindia.gov.in/communications/notification/notification-105-2023.pdf>

3. COMPANIES ACT/RBI/SEZ



COMPANIES ACT/RBI/SEZ - 1/2

1. IEPF authority has issued notice regarding migration of IEPF forms on MCA V3 portal.

A Notice dt. 08.12.2023 has been issued from Investor Education and Protection Fund Authority (IEPFA) Office vide File No: 213661 with respect to Intimation about migration of IEPF forms on MCA Version 3 portal

- a. IEPF forms are likely to be migrated to MCA V3 shortly.
- b. In this regard, IEPF-7 Form is likely to be merged with IEPF-1 form and transfer of the amount will be through MCA21 system. Similarly, IEPF-3 form is likely to be merged with IEPF-4 form.
- c. Therefore, stakeholders are advised to complete the filing of forms IEPF-7 and IEPF-3 whenever due or where the form has been rejected/expired.

2. RBI amends Foreign Exchange Management (Manner of Receipt and Payment) Regulations.

The Reserve Bank of India (RBI) has recently issued a notification introducing the Foreign Exchange Management (Manner of Receipt and Payment) Regulations, 2023. These regulations, framed under Section 47 of the Foreign Exchange Management Act, 1999 (FEMA), come into effect on the date of their publication in the Official Gazette, superseding the previous regulations dated May 02, 2016.

A. Restriction on Payment.

Residents in India are generally prohibited from making or receiving payments from persons residing outside India unless permitted by the Reserve Bank. Applications for such permissions are subject to RBI approval.

B. Receipt and Payment Mechanism

Trade Transactions:

- i. Nepal and Bhutan: Payments for eligible goods and services can be made in Indian Rupees. Exceptions apply when the importer in Nepal is authorized to pay in a foreign currency.
- ii. ACU Member Countries (excluding Nepal and Bhutan): Payments follow ACU mechanisms or RBI directions to authorized dealers.
- iii. Countries other than ACU Member Countries: Payments can be made in Indian Rupees or any foreign currency.

Other than Trade Transactions:

- i. Nepal and Bhutan: Payments are generally in Indian Rupees, with exceptions for overseas investments in Bhutan.

COMPANIES ACT/RBI/SEZ - 2/2

- ii. Other Countries: Payments can be made in Indian Rupees or any foreign currency

C. Current Account Mechanism

Payments and receipts in India for current account transactions, excluding trade transactions, between residents in India and persons visiting from outside India, must be in Indian Rupees. Payments or receipts can also be made through debit/credit to a bank account as per the rules and directions issued under the Act.

3. Ministry of Commerce & Industry notifies SEZs (4th Amendment) Rules, 2023, allowing 'hybrid working' to certain categories of employees of Units located in SEZs

- On 7 November 2023, the Ministry of Commerce and Industry has notified the SEZs (4th Amendment) Rules, 2023 amending the SEZs Rules, 2006. The provisions are effective from the said date and allow 'hybrid working' to certain categories of employees of units located in SEZs. 'Hybrid working' refers to a flexible work model wherein an employer may permit its employees to work from office or any other location outside the employer's office from time to time.
- The following categories of employees can be permitted by their units (employers) to work from any place outside the SEZ till 31 December 2024.
 - a. Employees of IT and IT enabled services Units
 - b. Temporarily incapacitated employees
 - c. Employees who are travelling
 - d. Employees who are working offsite
- In the case of hybrid working granted to any employee, the same has to be intimated to the Development Commissioner by the Unit on or before the date on which the facility has been permitted. Hybrid work facility will be admissible if the Unit continues to operate from the premises mentioned in the letter of approval granted to it.
- The Unit will be required to ensure export revenue of the resultant products or services to be accounted for by the Unit to which the employee is permitted for hybrid work. Further, the Unit may provide to an employee duty-free goods, including laptop, desktop, and other electronic equipment needed by the employee for hybrid work and the same will be allowed to be taken outside the SEZ without payment of duty or IGST on temporary basis.
- In essence, the rules are intended to introduce flexibility in workplace for employees working in SEZs, allowing them to work from different locations. The regulations also outline the responsibilities of the Units which must be fulfilled in order to avail the flexibility

4. COMPLIANCES CALENDAR – JANUARY 2024



COMPLIANCES CALENDAR – JANUARY 2024 - 1/3

Important due dates for the GST Returns in the Month of January 2024

Due date	Form to be filed	Period	Who should file?
10.01.2024	GSTR 7	Dec-23	GSTR 7 is a return to be filed by the persons who is required to deduct TDS (Tax deducted at source) under GST.
10.01.2024	GSTR 8	Dec-23	GSTR-8 is a return to be filed by the e-commerce operators who are required to deduct TCS (Tax collected at source) under GST.
11.01.2024	GSTR 1	Dec-23	Taxpayers having an aggregate turnover of more than Rs. 1.50 Crores or opted to file Monthly Return.
13.01.2024	GSTR 1 (IFF)	October- December 2023	GST return for the taxpayers who opted for the QRMP scheme (Optional).
13.01.2024	GSTR 5&5A	Dec-23	Non-Resident Taxpayers and ODIAR services provider
13.01.2024	GSTR 6	Dec-23	Input Service Distributors
18.01.2024	CMP-08	October- December 2023	CMP 08 for October- December 2023 (Composition).
20.01.2024	GSTR 3B	Dec-23	The due date for GSTR-3B has an Annual Turnover of more than 5 Crores.
22.01.2024	GSTR 3B	October- December 2023	GST return for the taxpayers of South India who opted for the QRMP scheme (Optional)
24.01.2024	GSTR 3B	October- December 2023	GST return for the taxpayers of North India who opted for the QRMP scheme (Optional)

COMPLIANCES CALENDAR – JANUARY 2024 - 2/3

Important due dates for the Income Tax Compliance / PF / ESI in the Month of January, 2024

Due date	Form to be filed	Period	Who should file?
07.01.2024	Challan No. ITNS-281	Dec-23	Payment of TDS/TCS was deducted /collected in December 2023.
14.01.2024	TDS Certificate	Nov-23	The due date for issuing of TDS Certificate for tax deducted under Section 194IA in the month of November, 2023.
14.01.2024	TDS Certificate	Nov-23	The due date for issuing of TDS Certificate for tax deducted under Section 194IB in the month of November, 2023.
14.01.2024	TDS Certificate	Nov-23	The due date for issuing of TDS Certificate for tax deducted under Section 194M in the month of November, 2023.
14.01.2024	TDS Certificate	Nov-23	The due date for issuing of TDS Certificate for tax deducted under section 194S (by specified person) in the month of November, 2023
15.01.2024	Professional Tax	Dec-23	Professional Tax (PT) on salaries for the month of December, 2023
15.01.2024	TCS Certificate	October- December 2023	TCS Return from the month of October to December 2023 in Form 27EQ.
15.01.2024	Form 24G by Government officer	Dec-23	Payment of TDS/TCS was deducted /collected in December 2023.

COMPLIANCES CALENDAR – JANUARY 2024 - 3/3

Important due dates for the Income Tax Compliance / PF / ESI in the Month of January, 2024

Due date	Form to be filed	Period	Who should file?
15.01.2024	Form 24G by Government officer	Dec-23	Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of December, 2023 has been paid without the production of a challan.
15.01.2024	PF & ESI Payment	Dec-23	Provident Fund & ESI Returns for the month of December, 2023.
15.01.2024	Form 15CC	Dec-23	Quarterly statement in respect of foreign remittances (to be furnished by authorized dealers) in Form No. 15CC for the quarter ending December, 2023.
15.01.2024	Form 15G/15H	Dec-23	Due date for furnishing of Form 15G/15H declarations received during the quarter ending December, 2023.
15.01.2024	Form No. 49BA	Dec-23	Furnishing of statement in Form No. 49BA under Rule 114AAB (by specified fund) for the quarter ending December 31, 2023.
30.01.2024	TDS Challan-cum-statement	Dec-23	The due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, 194IB, 194M.
30.01.2024	TDS Certificate	Dec-23	Due date for issuing of TDS Certificate for tax deducted under section 194S in the month of December, 2023.
			Note: Applicable in case of a specified person as mentioned under section 194S.
30.01.2024	TCS Certificate	October-December 2023	Issue of TCS Certificates in Form 27D from October to December 2023.



ABOUT US

- ☐ Right Team mix
- ☐ Industry and technical expertise
- ☐ Strong assurance from a fresh and innovative industry specific Knowhow

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- Behind the efficiency of any organization lies the skills of its personnel. As the needs of each client is unique, our professionals are trained to anticipate the same and implement imaginative solutions thereby assisting in achievement of organizational goals.
- The firm represents a combination of specialized skills, which are geared to offers sound financial advice and personalized proactive services.
- Those associated with the firm have regular interaction with industry and other professionals which enables the firm to keep pace with contemporary developments and to meet the needs of its clients.
- The team at **J D P & Co** has deep industry experience across all sectors including Technology, Manufacturing, Communications, Infrastructure & Real Estate and Pharmaceuticals.

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