

February 2024 | F&A | Volume XLII



Welcome to our
monthly newsletter

We bring you a concise and noteworthy regulatory developments in Income Tax, Goods & Services Tax, Companies Act during February 2024. We had tried to cover all important updates occurred during February 2024 in this volume of newsletter. The sole purpose of this circulation is to update finance professionals and business owners on direct & indirect taxes and other compliances. Feedbacks are welcome at info@nucleusadvisors.in.



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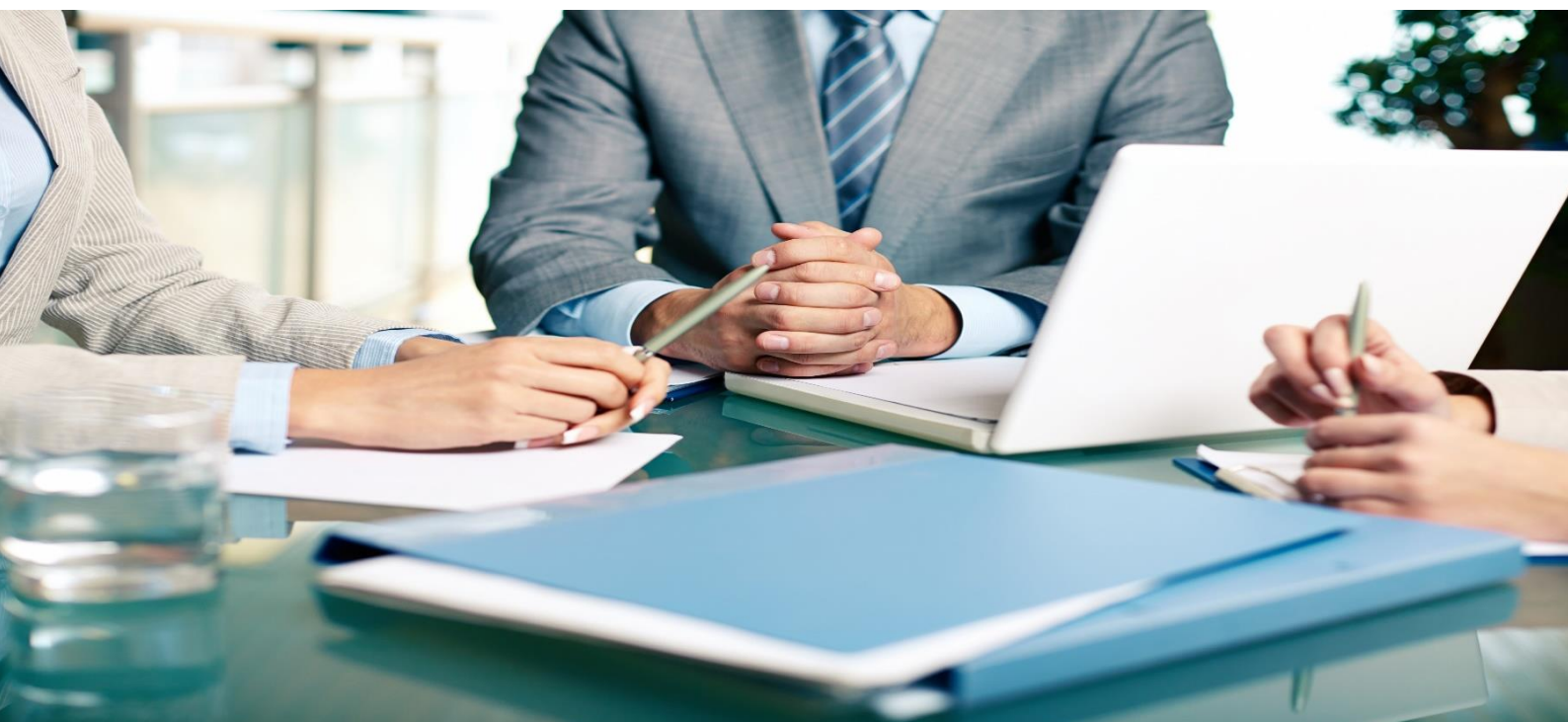
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Why this Volume of Newsletter is important for reader?

Through the series of this newsletter, we aim at covering all relevant Income Tax, Goods & Service Tax, MCA, Audit & Assurance notification, circulars and case laws which may directly or indirectly impact our readers. At Nucleus, it is our utmost priority to help our readers to be informed with respect to the changes in relevant laws for a smoother compliance.



Direct Tax Updates

- Deduction for Expenditure on Scientific Research (Sec 35) approved for Punjab University.
- Agreement Signed with Government of Samoa for Exchange of Information with respect to Taxes.

GST Updates

Notifications Issued

- “Public Tech Platform for Frictionless Credit” as the system with which information may be shared by the common portal- Notification no. 06/2024.

Advisory Issued:

- Instances of Delay in registration reported by some Taxpayers despite successful Aadhar Authentication in accordance with Rule 8 and 9 CGST, Rules, 2017
- Enhanced E-Invoicing Initiatives & Launch of Enhanced “einvoice.gst.gov.in” portal

MCA Updates

- MCA operationalises Central Processing Centre (CPC) for Centralised Processing of Corporate Filings
- MCA waives fees and extends deadline for filing LLP BEN-2 & Form No.4D



DIRECT TAX UPDATES

➤ Deduction for Expenditure on Scientific Research (Sec 35) approved for Punjab University

The Central Government approves 'Panjab University, Chandigarh' under the category of 'University, college or other institution' for 'Scientific Research' for the purposes of section 35(1)(ii) of the Income-tax Act, 1961.

This shall apply with effect from the Previous Year 2023-24 and accordingly shall be applicable for Assessment Years 2024-2025 to 2028-2029.

➤ Agreement Signed with Government of Samoa for Exchange of Information with respect to Taxes

An agreement between the Government of Republic of India and Government of Samoa for exchange of information with respect to taxes, was signed at Apia, Samoa on 12th day of March, 2020 and came into force on the 12th day of September 2023.

The competent authorities of the Contracting Parties shall provide assistance through exchange of information that is foreseeably relevant to the administration and enforcement of the domestic laws of

the Contracting Parties concerning taxes covered by this Agreement. Such information shall include information that is foreseeably relevant to the determination, assessment and collection of such taxes, the recovery and enforcement of tax claims, or the investigation or prosecution of tax matters.

Notifications Issued

Seeks to notify “Public Tech Platform for Frictionless Credit” as the system with which information may be shared by the common portal based on consent under sub-section (2) of Section 158A of the Central Goods and Services Tax Act, 2017.

The government, under Section 158A of the Central Goods and Services Tax Act, 2017 and Section 20 of the Integrated Goods and Services Tax Act, 2017, has decided to create a system called "Public Tech Platform for Frictionless Credit." This system will allow sharing of information through a common portal, but only if people give their permission, as stated in subsection (2) of Section 158A of the Central Goods and Services Tax Act, 2017.

Advisory Issued

Instances of Delay in registration reported by some Taxpayers despite successful Aadhar Authentication in accordance with Rule 8 and 9 CGST, Rules, 2017-reg

The statement outlines procedures for verifying and approving registration applications under Rule 9 of the Central Goods and Services Tax (CGST) Rules, 2017. If an applicant undergoes Aadhaar authentication but is flagged for further verification based on risk assessment, their registration application will be processed within thirty days. The online tracking module will also be updated accordingly.

Enhanced E-Invoicing Initiatives & Launch of Enhanced <https://einvoice.gst.gov.in> portal

On occasion of one year of the successful going live with the additional five new IRP portals, the e-invoice master information portal, and the e-invoice QR Code Verifier app, announces the launch of the revamped e-invoice master information portal <https://einvoice.gst.gov.in>.

1. New Features of the revamped E-Invoice Master Information Portal are as follows:

- **PAN-Based Search:** Users can now check e-invoice enablement status using PAN in addition to GSTIN
- **Automatic E-invoice Exemption List:** Updated list of GSTINs with e-invoice exemptions is automatically published monthly.
- **Global Search Bar:** Allows comprehensive search across the portal for quick access to information.
- **Local Search Capabilities:** Enhanced search within advisory, FAQ, and manual sections for efficient information retrieval.
- **Revamped Advisory and FAQ Section:** Organized year-wise and month-wise for easier reference, providing comprehensive guidance.
- **Daily IRN Count Statistics:** Includes statistics on daily IRN generation count
- **Dedicated Section on Mobile App:** Information and support for the e-invoice QR Code Verifier app is readily available.
- **Improved Accessibility Compliance and UI/UX:** Adheres to GIGW guidelines with features like contrast adjustment, text resizing, and screen reader support for better accessibility.
- **Updated Website Policy:** Includes updates to website archival, content management, moderation policy, and web information manager details.

2. Achievements and Key developments in the GSTN E-Invoicing System:

- Over 1.6 Crore E-Invoices Reported
- Internal E-Invoice Comprehensive Health Dashboard
- Expansion of IRP Portals to Six
- Accessibility of Reporting for Taxpayers
- Hourly Auto-Population of E-Invoices in GSTR-1
- E-Invoice Download for Past Six Months
- Introduction of E-Invoice QR Code Verifier App

3. Upcoming Enhancements:

- Enhanced Version of the E-Invoice Verifier App.

MCA operationalises Central Processing Centre (CPC) for Centralised Processing of Corporate Filings

- A new rule, 10A, is added to the Companies (Registration Offices and Fees) Rules, 2014, establishing a Central Processing Center. This Center is tasked with examining all applications, e-Forms, or documents for approval or registration by the Registrar.
- The Registrar at the Central Processing Center must make decisions within 30 days of filing, excluding cases requiring approval from higher authorities. This rule grants the Central Processing Center jurisdiction over various filings, including resolutions, share capital alterations, name change applications, and conversions of company types.
- The Registrar of the Central Processing Center shall exercise jurisdiction all over India in respect of the examination of following application, e-Forms or documents.
- In case multiple applications, e-Forms or documents are filed at a time then all the applications, e-Forms or documents shall be examined and decided by the Registrar of the Central Processing Center.

MCA waives fees and extends deadline for filing LLP BEN-2 & Form No. 4D

- **LLP BEN-2:** The Ministry of Corporate Affairs has introduced Limited Liability Partnership (Significant Beneficial Owners) Rules, 2023, and prescribed E-form LLP BEN-2 to file a Return to the Registrar regarding declaration under section 90 of the Companies Act, 2013. It helps to identify individuals with significant control or economic interest in the LLP.
- **LLP Form No. 4D:** MCA also introduced Limited Liability Partnership (Third Amendment) Rules, 2023 and prescribed E-form LLP Form no. 4D to file a Return to the Registrar regarding the declaration of beneficial interest in contribution received by the LLP. It tracks beneficial interests in contributions received by the LLP, regardless of the source.

Relaxation Measures by MCA

- LLPs can file Form LLP BEN-2 and LLP Form No.4D without additional fees up to 15.05.2024. These LLP reporting forms will be accessible in version-3 for filing starting April 15, 2024. MCA has announced relaxation measures in response to the transition of the MCA-21 portal from version-2 to version-3, and to promote LLP compliance.

COMPLIANCE CALENDER

Direct Taxes

March 01, 2024

- Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, 194-IB, 194M & 194S in the month of January, 2024.

March 07, 2024

- Due date for deposit of Tax deducted/collected for the month of February, 2024. However, all sum deducted/collected by an office of the government shall be paid to the credit of the Central Government on the same day where tax is paid without production of an Income-tax Challan.

March 15, 2024

- Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of August, 2023 has been paid without the production of a challan.
- Due date for payment of whole amount of advance tax in respect of assessment year 2024-25 for assessee covered under presumptive scheme of section 44AD / 44ADA.
- Fourth instalment of advance tax for the assessment year 2024-25.

March 16, 2024

- Due date for issue of TDS Certificate for tax deducted under section 194-IA, 194-IB, 194M & 194-S in the month of January, 2024.

March 30, 2024

- Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, 194-IB, 194M & 194S for the month of February, 2024.

March 31, 2024

- Country-By-Country Report in Form No. 3CEAD for the previous year 2022-23 by a parent entity or the alternate reporting entity, resident in India, in respect of the international group of which it is a constituent of such group.

Indirect Taxes

March 10, 2024

- Date for filing of GSTR-7 and GSTR-8

March 11, 2024

- Date for filing of GSTR-1 (Turnover exceeding INR 5 Cr or opted to file monthly return)

March 13, 2024

- Date for filing of GSTR-5, GSTR-6 & IFF (Optional)

March 20, 2024

- Date for filing of GSTR-3B, GSTR-5A, & IFF (Optional)

- Country-By-Country Report in Form No. 3CEAD for a reporting accounting year (assuming reporting accounting year is April 1, 2022 to March 31, 2023) by a constituent entity, resident in India, in respect of the international group of which it is a constituent if the parent entity is not obliged to file report under section 286(2) or the parent entity is resident of a country with which India does not have an agreement for exchange of the report etc.
- Uploading of statement [Form 67], of foreign income offered to tax and tax deducted or paid on such income in previous year 2022-23, to claim foreign tax credit [if return of income has been furnished within the time specified under section 139(1) or section 139(4).
- Furnishing of an updated return of income for the Assessment Year 2021-22.



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ABOUT US

Nucleus AAR Advisors LLP is an Investment Banking and Risk Advisory Firm providing specialized services in the field of Startup Advisory, M&A Advisory, International Taxation, Audit & Assurance. We partner with entrepreneurs in their critical decision making by providing them various analysis customized as per their requirement. We also help in the effective implementation of decisions and its subsequent monitoring as well.

Team Nucleus is comprised of people from Big4s and reputed consulting firms with combined experience of 30+ years. Team is distinguished by their functional and technical expertise combined with their hands-on experience, thereby ensuring that our clients receive the most professional



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