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NEWSLETTER

SEPTEMBER 2024

VOL 54

Achieving Excellence in Client Service Through
Expertise & Experience

Covering Updates for the Month of August 24

For private circulation and clients only



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DIRECT TAX UPDATES

I. Circulars & Notifications

1. Roll out of E-Dispute Resolution Scheme (e-DRS), 2022

(Press Release dated 30.08.2024)

This is another initiative by the Finance Ministry towards minimising litigations. The C.B.D.T. has **notified the e-Dispute Resolution Scheme, 2022 (e-DRS)** U/sec 245MA of the Income-tax Act, 1961 (the Act) with an object to reduce litigation and provide relief to eligible taxpayers.

The e-DRS enables the taxpayer, who fulfils certain specified conditions as stipulated in section 245MA of the Act, to file an application electronically for dispute resolution to the DRC which have been constituted in all 18 jurisdictional Pr. CCIT regions across the country.

As per e-DRS, a taxpayer can opt for e-Dispute Resolution against the **'specified order'** as defined in clause (b) of the Explanation to section 245MA of the Act, which includes an order in which the aggregate sum of variations proposed or made does not exceed Rs.10 lakhs and returned income for the relevant assessment year does not exceed Rs.50 lakhs. Further, such order should not be based on search/surveys or information received under an agreement referred to under section 90 or 90A of the Act.

A DRC may modify the variations in the specified order and decide to grant reduction/waiver of penalty and prosecution U/Rule 44DAC of the Income-tax Rules, 1962 (the Rules). The **DRC is mandated to pass its order within 6 months from the end of month in which application** for dispute resolution is **admitted by it**.

The application for e-DRS is to be filed in Form No. 34BC on the e-filing portal of the Income Tax Department, within 1 month from the date of receipt of specified order. In cases **where appeal has already been filed and is pending** before the Commissioner of Income-tax (Appeals), **the application for e-DRS, is to be filed on or before 30.09.2024.**

2. Non-applicability of higher rate of TDS/TCS U/sec 206AA/206CC in the event of death of deductee / collectee before linkage of PAN & Aadhaar.

(CBDT Cir.No. 08/2024 Dated 05.08.2024)

CBDT vide its Circular no. 6 /2024, dated 23.04.2024, provided an opportunity to the taxpayers upto 31.05.2024 for linkage of PAN and Aadhaar for the transactions entered into upto 31.03.2024 so as to avoid higher deduction/collection of tax under section 206AA/206CC of the Income-tax Act. It is further clarified vide this circular that in respect of cases of demise of the deductee/collectee on or before 31.05.2024 before the option to link PAN and Aadhaar could have been exercised where higher rate of TDS/TCS was attracted under section 206AA/206CC of the Act, **there shall be no liability on the deductor/collector to deduct/collect the tax under section 206AA/206CC.**

3. Clarification in respect of Income-tax Clearance Certificate

(CBDT Press Release dated 20.08.2024)

The Finance (No. 2) Act, 2024 has made an amendment in Section 230(1A) of the Income tax Act, 1961 by inserting the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 (the 'Black Money Act') in the said Section. This insertion has been made to also cover the liabilities under the Black Money Act in the same manner as the liabilities under the Income-tax Act, 1961 and other Acts dealing with direct taxes for the purpose of Section 230(1A) of the Income-tax Act, 1961

In order to clarify the matter, the CBDT has clarified vide this circular that Income Tax Clearance Certificate U/Sec 230(1A) of the Act, is needed by residents domiciled in India, only in rare cases, such as (a) where a person is involved in serious financial irregularities including under the Black Money Act or (b) where a tax demand of more than Rs. 10 lakhs is pending which is not stayed by any authority.

II. Supreme Court Decision

Sec 263 can not be invoked r.w.sec. 50C on distress sale by lender under SARFAESI proceedings

Pr. C.I.T. v. HTL Ltd. [2024] 165 taxmann.com 689 (SC)

Facts of the case :

Assessee had filed its return and same was processed under section 143(1). Subsequently, Pr.C.I.T. invoked revision under section 263 on ground that a land was sold by assessee to an entity below value adopted by concerned authority for levy of stamp duty and therefore, there was under-assessment of income to extent of differential amount, and accordingly, assessment made was contrary to provisions of section 50C as this aspect had not been inquired into.

The Supreme Court held that :

The Supreme Court dismissed the SLP filed holding that assessee had run into rough weather, whereby its net worth was eroded. Accordingly, assessee went under SARFAESI proceedings. Record revealed that it was not assessee who effectuated sale of subject land and land was actually sold by secured lenders to recover dues owed to them by assessee. The Principal Commissioner had failed to notice these underlying facts while invoking his powers under section 263. The High court by impugned order held that **twin conditions for invoking powers under section 263 i.e. not only order should be erroneous, but it should also be prejudicial to interest of revenue were not met**, therefore, Tribunal was justified in setting aside impugned revision order of Principal Commissioner.

III. Tribunal Decisions

Tax Rate for Private Trust as applicable to Beneficiary

I.T.O. v. Petroleum Trust [2024] 165 taxmann.com 504 (Mumbai - Trib)

Facts of the case :

The assessee was a discretionary trust, which held investments mainly for its beneficiary, i.e., 'R' a limited company. Since 'R' had opted to be taxed at the rate of 22 per cent plus applicable surcharge and cess under the new tax regime under section 115BAA. The assessee, being a representative assessee, claimed to be taxed at same rate applicable to its beneficiary. This claim was dismissed by the Assessing Officer as the assessee was not a representative assessee.

It was held that

Section 161 defines the liability of representative assessee. It can be seen that the tax shall be levied upon and recovered from a representative assessee in like manner and to the same extent as it would be leviable upon and recoverable from the person represented by him which means that the trust will be subject to same rate of tax as applicable to the person represented by it, i.e., 'R' which was taxed under section 115BAA.

The jurisdictional High Court in the case of Mrs. Amy F. Cama v. CIT [1999] 237 ITR 82 (Bom.), held that in law, the beneficiaries are the real owners and the trustee holds the properties for and on behalf of the beneficiaries. The trustee has to be assessed under the Act as a representative assessee for and on behalf of the beneficiaries and tax can be levied and recovered from the trustee in the like manner and to the same extent as it would be leviable upon and recoverable from the person represented by the trustee.



COMPANY LAW UPDATES

A. Limited Liability Partnership (Amendment) Rules, 2024

The Ministry of Corporate Affairs has notified that effective from August 27, 2024, an application for striking off the name of LLP from the register, shall be sent to the Centre for Processing Accelerated Corporate Exit instead of the Registrar.

The notification can be accessed at:

<https://www.mca.gov.in/bin/dms/getdocument?mds=mvMzerxrXhRIKJfJXltgrg%253D%253D&type=open>



B. Companies (Adjudication of Penalties) Amendment Rules, 2024

The Ministry of Corporate Affairs has inserted new Rule 3A notifying that effective from September 16, 2024, all proceedings (including issue of notices, filing replies or documents, evidences, holding of hearing, attendance of witnesses, passing of orders and payment of penalty) of adjudicating officer and Regional Director under these rules shall take place in electronic mode only through the e-adjudication platform developed by the Central Government for this purpose.

Furthermore, the format of e-form ADJ for Memorandum of Appeal has also been amended.

The notification can be accessed at:

<https://www.mca.gov.in/bin/dms/getdocument?mds=ksyWu6kmYbS46oyUYmt6cw%253D%253D&type=open>



C. Companies (Registration of Foreign Companies) Amendment Rules, 2024

The Ministry of Corporate Affairs has notified that effective from September 9, 2024, e-forms relating to Foreign Companies shall be processed by Registrar, Central Registration Centre.

The circular can be accessed at:

<https://www.mca.gov.in/bin/dms/getdocument?mds=nKOST6cNFJSgJGLOIBu6Yg%253D%253D&type=open>



D. Companies (Indian Accounting Standards) Amendment Rules, 2024

The Ministry of Corporate Affairs has notified Indian Accounting Standard 117 on Insurance Contracts replacing IndAS 104.

The circulars can be accessed at:

<https://www.mca.gov.in/bin/dms/getdocument?mds=4iwngdxt9oFj%252Bpp05r1EZA%253D%253D&type=open>



Other updates:

Amendment in Securities Contracts Regulation Rules (SCRR), 1956: The Department of Economic Affairs has amended the Securities Contracts Regulation Rules (SCRR), 1956 to ease the listing requirements for Indian Companies seeking to list on international exchanges within International Financial Services Centres, aligning them with global standards and give easier access to global capital by Indian start-ups and companies.

Accordingly, as per the notification issued, companies are allowed to list on stock exchanges in GIFT city with a minimum of 10% of public shareholding instead of 25%.





FEMA UPDATES

Note on key amendments to the Foreign Exchange Management (Non-debt Instruments) Rules, 2019

Background

The Department of Economic Affairs, Ministry of Finance, Government of India has amended the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 (“NDI Rules”) through the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2024 (“Amendment Rules”) which were notified on August 16, 2024.

These rules may be called the Foreign Exchange Management (Non -debt Instruments) (Fourth Amendment) Rules, 2024.

Summary of the key changes introduced through the Amendment Rules

- **Aligning definition of ‘control’ with Companies Act 2013**

The concept of ‘control’ is relevant to determine indirect foreign investment received by an Indian entity from a foreign owned or controlled entity under Rule 23 of the NDI Rules. Additionally, Schedule II which deals with purchase or sale of equity instruments by FPIs also provides for a concept of common control for the purpose of determining the FPI investor group.

Prior to the amendment, the term ‘control’ was specifically defined under Rule 23 and Schedule II. In order to bring in consistency within the NDI Rules and with the Companies Act, 2013, the definitions provided under Rule 23 and Schedule II have been omitted, and a new definition of ‘control’ has been inserted in Rule 2 which contains the common definitions of the terms used within the NDI Rules.

While no material change has been carried out pursuant to this change, however, now the term ‘control’ includes control by persons acting ‘individually or in concert, directly or indirectly’.

- **Harmonizing the definition of the term “Startup Company”**

The Department of Promotion of Industry and Internal Trade (DPIIT) notification dated 19 February 2019 provides for the updated criteria to recognize a company as a start-up. The definition of ‘start-up company’ under the NDI Rules has been revised to make it in line with the updated criteria as per the latest DPIIT notification.

- **Clarifications on obtaining government approval**

Under the NDI Rules, transfer of equity instruments of an Indian entity by a person resident outside India to another person resident outside India is generally permitted if the Indian company is engaged in a sector in which foreign investment is permitted under the automatic route. Prior to the amendment, the NDI Rules provided that government approval is required for sectors in which foreign investment is allowed under the approval route.

Now, the amendment clarifies that the requirement for obtaining prior approval is not limited to specified sectors but is applicable generally wherever government approval is mandated.

- **Enabling share swap transactions**

Previously, NDI Rules provided for issuance of equity instruments of an Indian entity to a person resident outside India against swap of equity instruments of another Indian entity. However, transfer of equity instruments of an Indian company between persons resident in India and persons resident outside India against swap of equity instruments of an Indian entity or swap of equity capital of a foreign entity was not specifically covered under the NDI Rules. Therefore, such share swap transactions required prior RBI approval. Now, Rule 9A has been added under the NDI Rules expressly allowing cross border share swap transactions by transfer of equity instruments of an Indian company between persons resident in India and persons resident outside India.

With this change, secondary share swap transactions are simplified, especially where no government approval is required, for instance, where the Indian company is engaged in a sector under the automatic route. In cases where government approval is required, sector-related or otherwise, such approval must be taken.

- **Foreign Investment by Overseas Citizens of India**

Prior to the amendment, investments made on a non-repatriable basis by an Indian entity which is owned and controlled by non-resident Indians were not treated as indirect foreign investment. Now, this provision has been extended to investments made on a non-repatriable basis by an Indian entity which is owned and controlled by overseas citizens of India.

- **Relaxations in limits on investments made by Foreign Portfolio Investors (FPIs)**

Earlier, the NDI Rules provided for an aggregate limit on investments made by FPIs of 49% of the paid-up capital of the investee company on a fully diluted basis or the sectoral cap, whichever is lower. Now, the cap of 49% is removed, thereby increasing the threshold for FPI investments up to the sectoral limits where such limits are higher than 49%.

- **Foreign Direct Investment (FDI) in White Label ATM Operations sector**

The consolidated Foreign Direct Investment Policy, 2020 (FDI Policy) allows 100% foreign direct investment in white label ATM operators under the automatic route. The NDI Rules have been amended to align the sectoral cap in this sector with the FDI Policy.

Notification Link :

<https://static.pib.gov.in/WriteReadData/specificdocs/documents/2024/aug/doc2024816377701.pdf>





**NEW RULES
FOR SMALL SAVING
SCHEMES EFFECTIVE
FROM
OCTOBER 1, 2024**

1. Small savings schemes new rules

Background

The Department of Economic Affairs has published six new regulations that are pertinent to investors in the National Savings Scheme, Public Provident Fund, and Sukanya Samridhi Account. The Ministry of Finance is the regulatory authority over small savings accounts. Any accounts found to be regular must be directed to this division for the necessary regularization by the Ministry of Finance, in compliance with the established rule. The guidelines have been categorized into the following sections:

- Irregular National Savings Scheme (NSS) accounts
- Public Provident Fund (PPF) accounts
- Regularization of Sukanya Samridhi Account (SSA) initiated by grandparents instead of guardians.

These rules, effective from October 1, 2024, aim to address and rectify discrepancies in account openings.

Summary of the key changes are as follows:

- **Irregular National Saving Scheme (NSS) accounts**

Accounts Opened Before April 2, 1990	Accounts Opened After April 2, 1990	More Than Two Accounts
<ul style="list-style-type: none"> • The first account will earn the prevailing scheme rate. • The second account will earn the prevailing Post Office Savings Account (POSA) rate plus 2% on the balance. • From October 1, 2024, both accounts will earn 0% interest. 	<ul style="list-style-type: none"> • The first account will get the prevailing scheme rate. • The second account will earn the prevailing POSA rate. • From October 1, 2024, both accounts will earn 0% interest. 	<ul style="list-style-type: none"> • No interest will be paid on the third and additional accounts. • The principal will be refunded.



- **Public Provident Fund (PPF) Accounts**

Accounts Opened Under a Minor's Name	More Than One PPF Account	PPF accounts of NRIs
<ul style="list-style-type: none"> • POSA interest will be paid until the minor turns 18. • Afterward, the applicable interest rate will be applied. • Maturity will be calculated from the minor's 18th birthday. • Irregular accounts can be regularized with simple interest at the prevailing POSA rate. 	<ul style="list-style-type: none"> • The primary account will earn the scheme rate if deposits are within the annual limit. • The balance from any secondary accounts will be merged into the primary account. Excess amounts will be refunded with 0% interest. • Additional accounts beyond two will earn 0% interest from their opening date. 	<ul style="list-style-type: none"> • For only those active NRI's PPF accounts opened under the Public Provident Fund Scheme (PPF), 1968, where Form H did not specifically ask the residency status of the account holder, POSA rate of interest shall be given to the account holder till 30th September 2024. • Thereafter, the said account shall earn zero percent rate of interest.

Sukanya Samriddhi Accounts

- Accounts opened by grandparents (not legal guardians) must transfer guardianship to a legal guardian or natural parents.
- If more than two accounts are opened in violation of the scheme guidelines, the extra accounts will be closed





Article

Relaxation in Obtaining Income Tax Clearance Certificate

Article: - Relaxation in Obtaining Income Tax Clearance Certificate

CA Pankti Shah

1. Introduction

In this fast-changing and uncertain world, people now believe in enjoying their lives to the fullest. Be it by traveling to new and exotic places, spending quality time with loved ones, or pursuing their passions, individuals are increasingly focusing on making the most of every moment prioritizing experiences that bring joy and fulfillment over material possessions.

Discussing about one of such joy – ‘Travelling’. Though travelling abroad might seem an easy task to do but that involves not only the hectic Visa obtaining process but also compliances under various other laws in India; one of which is obtaining Income Tax Clearance Certificate under the Income Tax Act, 1961.

2. What is an Income Tax Clearance Certificate?

An income tax clearance certificate, as the name suggests, is a certificate issued by the income tax authority stating that an individual has cleared all his tax dues and has no liability.

As per the provisions of Section 230(1A) of the Income Tax Act, 1961, every person who is domiciled in India, at the time of his departure from India shall obtain Income Tax Clearance Certificate from the Income Tax Authorities.

3. Who is required to obtain the Income Tax Clearance Certificate?

An income tax clearance certificate, as the name suggests, is a certificate issued by the income tax authority stating that an individual has cleared all his tax dues and has no liability.

As per the provisions of Section 230(1A) of the Income Tax Act, 1961, every person who is domiciled in India, at the time of his departure from India shall obtain Income Tax Clearance Certificate from the Income Tax Authorities.

- i) Where the person is involved in serious financial irregularities and his presence is necessary in investigation of cases under the Income-tax Act or the Wealth-tax Act and it is likely that a tax demand will be raised against him, or
- ii) Where the person has direct tax arrears exceeding Rs. 10 lakhs outstanding against him which have not been stayed by any authority.

Irrespective to the above-mentioned instruction issued by the CBDT, the provisions of the section were misinterpreted by the public at large. Hence the CBDT has recently issued clarification on the same through a press release dated 20.08.2024. Whereby it has been clarified as follows:

“As per section 230 of the Act, every person is not required to obtain a tax clearance certificate. Only certain persons, in respect of whom circumstances exist which make it necessary to obtain a tax clearance certificate, are required to obtain the said certificate. This position has been in the statute since 2003 and remains unchanged even with the amendments vide Finance (No. 2) Act, 2024.”

4. How can one obtain the income tax clearance certificate?

The process of obtaining the income tax clearance certificate is quite simple, an application has to be filed in Form 30C, wherein information such as the Permanent Account Number (PAN), the purpose of visit outside India and Estimated period stay outside India is to be mentioned, other than the basic details asked for.

Once the form is submitted, the income tax authorities will process the application and issue the certificate.

5. Conclusion

With the recent clarification issued by the CBDT, the requirements for obtaining an Income Tax Clearance Certificate (ITCC) have become more transparent. Only individuals involved in serious financial irregularities or those with significant outstanding tax arrears need to secure this certificate before traveling abroad. This clarification helps to dispel common misconceptions and eases the process for the majority of travellers, allowing them to focus more on the joy of their journey rather than on cumbersome legal formalities. As travel continues to be a vital source of happiness and fulfilment, understanding and complying with such requirements ensures a smoother experience for those seeking to explore the world.





Article

Unlocking Potential :
The power of
training & fairness

Article:- Unlocking Potential : The power of training & fairness

CA Pravruti Shah

In today's dynamic corporate landscape, the pursuit of excellence requires a concerted effort in training and development that spans every level of the organization. Ensuring that all employees have access to continuous learning and development opportunities is no longer a luxury—it is a necessity.

Why Training and Development Must Be Organization-Wide

A comprehensive approach to training and development across the entire organization serves as a cornerstone for building employee capability, engagement, and adaptability. In every department—whether operations, finance, marketing, or governance - investing in the upskilling of employees drives efficiency, innovation, and accountability.

For the purpose of an efficient GRC structure, training ensures that employees are equipped to navigate the complexities of regulatory compliance, risk management, and governance frameworks. This is not just about fulfilling legal or procedural obligations but about embedding a culture of integrity and foresight within the organization.

Key benefits of training and development across all levels include:

- **Enhanced Skills and Knowledge:** Employees become more proficient in their respective roles, contributing more effectively to organizational objectives.
- **Increased Adaptability:** In a fast - evolving regulatory environment, continuous learning enables employees to remain agile, keeping the organization compliant and competitive.
- **Employee Engagement:** Access to growth opportunities fosters loyalty and satisfaction, reducing turnover rates and strengthening the workforce.

The Importance of Fair Evaluation

Alongside training and development, fair evaluation processes are fundamental to fostering a culture of transparency and motivation. For employees, knowing that their efforts are recognized and assessed based on merit creates a sense of trust and equity within the organization.

Fair evaluation also ensures that employees are acknowledged for their crucial role in safeguarding the organization. An equitable evaluation process should:

- **Set Clear Expectations:** Employees need to know how they are being measured and what criteria will be used to assess their performance.
- **Provide Regular Feedback:** Constructive feedback helps employees improve continuously and align their efforts with organizational goals.
- **Ensure Objectivity:** Evaluation should be based on defined, unbiased standards that recognize effort, impact, and innovation.

Integrating Training, Development, and Evaluation into the GRC Framework

By seamlessly integrating training and fair evaluation into the GRC framework, organizations can enhance their governance, risk, and compliance capabilities while driving employee engagement and development.

This integration:

- **Builds Trust:** Employees see that the organization values their growth and assesses their performance fairly.
- **Improves Effectiveness:** As employees become more skilled and aware, they contribute more efficiently to GRC initiatives, driving better outcomes for the organization.
- **Strengthens Resilience:** A well-trained, fairly evaluated workforce is better prepared to face challenges, manage risks, and uphold compliance standards in a constantly changing environment.

In conclusion, for organizations to thrive, training and development must be made accessible to every employee across all levels. Fair performance evaluation is equally vital in fostering a positive work environment. For an efficient GRC framework, these elements are even more critical, as the work they do directly impacts the organization's ability to maintain compliance, manage risks, and promote strong governance. Together, training, development, and fair evaluation form the pillars of a robust, high-performing organization.





Article
The Importance of
MIS in Today's
Corporate World

Article:- The Importance of MIS in Today's Corporate World

CA Milan Shah

**From Data to Decisions
The Importance of MIS in
Today's Corporate World**



It is rightly said that “The right information at the right time can be ten times more valuable than just data”

Management Information Systems (MIS) play a crucial role in the modern competitive business environment for all scale of industries. Be it be working on a small scale / Medum Scale or Large Scale. The companies are increasingly relying on data to drive their decisions, which in evidently requires efficient and reliable systems to manage and interpret the available data to be placed before the management in the systematic manner. Hence, MIS are crucial for providing comprehensive data and insights to help businesses make informed decisions. Here under the Importance of MIS has been broadly discussed:

1. Enhanced Decision-Making

An informed manager can take most relevant and accurate decision for the company. MIS provides managers with accurate and up-to-date information, which is critical for making informed decisions. Such information may be data trends, forecasting future outcomes, and providing insights into business operations,

2. Support for Strategic Planning

Strategic planning like business expansion, launch of new products etc. requires critical historic and market details. This strategic use of information gives businesses a competitive edge in the marketplace. MIS flows such critical information with accurately processed data. By offering insights into market trends, competitor performance, and internal capabilities, MIS helps organizations to formulate strategies that align with their long-term objectives.



3. Monitoring Present Affairs

Typical MIS system will provide the existing affairs of the company. Which informs the decision maker about the position of the company with comparison of the expected levels. For instance, Budget Vs Actual Performance for each department

4. Cost Control and Reduction

MIS can contribute to cost control and reduction by providing detailed reports on expenditures and resource utilization. By identifying areas of waste or inefficiency, businesses can implement cost-saving measures. For example, overall as well as quantity wise comparative cost analysis

5. Improved Efficiency and Productivity

MIS streamlines business processes by automating routine tasks and integrating different business functions. This leads to increased efficiency and productivity within an organization. For instance, automated inventory management, reducing the time and effort needed to monitor stock levels. better resource allocation by identifying underutilized or overextended resources.

6. Better Customer Relationship Management

With the integration of customer data, MIS can significantly improve customer relationship management (CRM). By analyzing customer data, companies can gain insights into customer behavior, preferences, and feedback. This information allows businesses to tailor their products and services to meet customer needs more effectively.

7. Compliance and Risk Management

In today's regulatory environment, compliance and risk management are critical concerns for businesses. MIS helps organizations to monitor compliance with regulations by maintaining accurate records and generating reports required for audits. Additionally, MIS can aid in risk management by identifying potential risks and providing data to assess their impact, allowing for the development of risk mitigation strategies.

MIS combines technology, people, and processes to manage and analyze data, facilitating informed decision-making and improving overall organizational efficiency. A typical MIS can be at each department level which collectively provides the systematic and key information to top level management. Following is the list of reports that can be part of typical MIS.

Area	MIS	Description
Financial Management	Budgeting and Forecasting	Tools for planning and predicting financial performance
	Cash Flow Management	Monitoring and managing cash inflows and outflows
	Budget Vs Actual	Accounting and Financial Reporting: Accurate tracking of income, expenses, assets, and liabilities. Also includes Profitability of the business.
Sales and Marketing	Sales Performance Tracking	Monitoring sales targets, actual sales, and performance metrics.
	Customer Relationship Management (CRM)	Managing interactions with current and potential customers. CRM Typically covers, Support Ticketing System, Service Level Agreements (SLAs), Customer Feedback System
	Market Analysis	Analyzing market trends, competitor activity, and customer preferences.
	Campaign Management	Planning, executing, and measuring marketing campaigns

Area	MIS	Description
Operations Management	Supply Chain Management	Managing procurement, inventory, and logistics. Typically covers top items of purchases and its rate analysis.
	Production and Manufacturing	Tracking production processes, output, and efficiency
	Resource Management	Optimizing the use of physical and human resources. This may also cover Project Planning and Scheduling, Resource Allocation, Task Management
Human Resources Management	Employee Information	Maintaining comprehensive records of employee data. Covers employee cost, Payroll, performance and appraisal etc.
	System Recruitment and	Managing hiring processes and integrating new employees
	Onboarding Compliances	Monitoring of Labor law compliances
Compliance and Risk Management	Regulatory Compliances	Ensuring adherence to applicable industry regulations and standards. Also, providing updates about new changes.
	Risk Assessment	Identifying and monitoring of Risk by implementing possible mitigating controls.
IT and Infrastructure Management	System Performance	Ensuring the performance and reliability of IT systems
	MonitoringData SecurityIT Asset	Protecting sensitive information from unauthorized access and breaches. Reporting the instances of actual system breaches as well as protected efforts of system breach
	Management	Procurement, Tracking, managing and discarding of IT assets and resources

Conclusion

Management Information Systems are vital for the smooth and efficient operation of modern businesses. By providing accurate data, facilitating communication, supporting strategic planning, and enhancing customer relationship management, MIS plays a key role in driving business success. As organizations continue to navigate the complexities of the digital age, the importance of robust and effective MIS cannot be overstated.

MIS is the bridge between business problems and optimal solutions





Article

Second Pan-India Drive Against Fake GST Registrations: A Strategic Initiative to Safeguard Revenue Integrity

Article: Second Pan-India Drive Against Fake GST Registrations: A Strategic Initiative to Safeguard Revenue Integrity

CA Jitendra Soni

In response to the persistent issue of fraudulent GST registrations and the associated misuse of Input Tax Credit (ITC), the Central Board of Indirect Taxes and Customs (CBIC) has initiated the second special All-India drive against fake GST registrations. This drive is set to take place from August 16, 2024, to October 15, 2024, following the success of a similar operation conducted in 2023.

1. Background and Rationale

The ongoing challenges posed by fake GST registrations have had significant repercussions on the integrity of India's tax system. Fraudulent activities, including the generation of fake invoices and unauthorized ITC claims, have led to substantial revenue losses for the government. To address these issues, the CBIC, in collaboration with the Directorate General of Analytics and Risk Management (DGARM), has devised a time-bound and systematic approach to identify and eliminate fake GST registrations across the country.

2. Objectives of the Drive

The primary objectives of this drive are multifaceted:

- a. **Identification and Verification:** The drive aims to systematically identify and verify suspicious GST Identification Numbers (GSTINs) using advanced data analytics and risk assessment tools. DGARM, in coordination with the GST Network (GSTN), will provide a list of high-risk GSTINs to be verified by both Central and State tax authorities.
- b. **Action Against Non-Existent Taxpayers:** Upon verification, if a taxpayer is found to be non-existent or fictitious, immediate steps will be taken to suspend or cancel their GST registration under Section 29 of the CGST Act. Additionally, the Input Tax Credit claimed by such entities will be blocked under Rule 86A of the CGST Rules to prevent further misuse.
- c. **Recovery and Provisional Attachments:** In cases where fraud is detected, the drive will focus on identifying the masterminds behind these activities. The concerned authorities are empowered to initiate actions for the recovery of government dues and to provisionally attach properties and bank accounts under Section 83 of the CGST Act.
- d. **Enhanced Coordination:** The drive also emphasizes enhanced coordination between Central and State tax authorities to ensure a unified approach. A feedback and reporting mechanism has been established, requiring weekly reports on the actions taken, GSTINs verified, and amounts involved.

3. Implementation and Monitoring

The CBIC has issued detailed guidelines to ensure the uniform implementation of this drive across the country. The guidelines outline the responsibilities of tax officers at various levels and stress the importance of timely and accurate reporting. Weekly reports, to be submitted through a designated nodal officer, will track the progress of the drive, and the GST Council Secretariat will compile these reports for further analysis and action.

2. Conclusion

The second pan-India drive against fake GST registrations is a crucial step in fortifying the GST regime against fraud. By leveraging technology and data analytics, the CBIC aims to cleanse the GST ecosystem of fraudulent entities, thereby safeguarding government revenue and maintaining the integrity of the tax system. The success of this drive will not only depend on the vigilance of tax authorities but also on the continued cooperation between Central and State governments. As the drive unfolds, its impact will be closely monitored, with the potential to shape future strategies in the fight against GST-related fraud.



DUE DATES

Due dates of various compliances falling in the month of September 2024

Sr.No	Due Date	Act/Authority	Compliance Description
1	07-09-24	Income Tax	Deposit of Tax Deducted at Source (TDS) / Tax Collected at source (TCS) during the month of August-2024
2	10-09-24	GST	GSTR-7 for the month of August-2024 for persons required to deduct TDS
3	10-09-24	GST	GSTR-8 for the month of August-2024 for e-commerce operator required to Collect TCS
4	11-09-24	GST	GSTR-1 for the month of August-2024 for taxpayers having turnover more than Rs. 5 crores or opted to file Monthly Return
5	13-09-24	GST	GSTR-5 by Non-resident taxable person carrying out business in India for the month of August-2024
6	13-09-24	GST	GSTR-6 for the month of August-2024 for Input Service Distributor
7	15-09-24	PF/ESIC	Payment of PF / ESIC for the month of August-2024
8	15-09-24	Income Tax	Second instalment of advance tax for the assessment year 2025-2026 (FY 2024-2025)
9	20-09-24	GST	Payment of GST & Filing of GSTR-3B for the month of August-2024, for taxpayers having turnover of more than Rs.5 Crore in preceding financial Year or opted to file Monthly Return
10	20-09-24	GST	GSTR-5A by Non-resident taxable OIDAR Service Provider for the month of August-2024
11	30-09-24	Income Tax	Furnishing of challan-cum statement of tax deducted under 194-IA, 194-IB, 194M and 194S in the month of August-2024
12	30-09-24	Income Tax	Due date for filing of audit report under section 44AB for the assessment year 2024-25 in the case of a corporate-assessee or non-corporate assessee (who is required to submit his/its return of income on October 31, 2024)
13	30-09-24	Income Tax	Furnishing of Audit report in Form no. 10B/10BB by a fund or trust or institution or any university or other educational institution or any hospital or other medical institution
14	30-09-24	MCA	DIR 3 KYC Mandatory for Every individual having Director Identification Number (DIN)
15	30-09-24	GujRera	Annual Compliances for the year ended March 31, 2024

“**Don't count the days,
make the days count**”

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