

# FOCAL POINT

Newsletter from Raju and Prasad Chartered Accountants

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*Dear Reader,*

*The Policy updates and Verdicts of Various High Courts are enclosed in this newsletter.*

*We would like to draw your attention to various important updates, including GST update on introduction of Form GSTR-01A and SEBI introduction of a new chatbot for investors. Various intriguing case laws on Direct and Indirect Taxes are also enclosed in the newsletter.*

*Hope this issue will find you and your near & dear in good health. Be safe, and healthy*

*Regards*

*For Raju and Prasad*

*Chartered Accountants*

*Your Knowledge Partners*

*M Siva Ram Prasad*

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**"The bad news is time flies. The good news is you're the pilot."  
- Michael Altshuler**

# Policy Watch

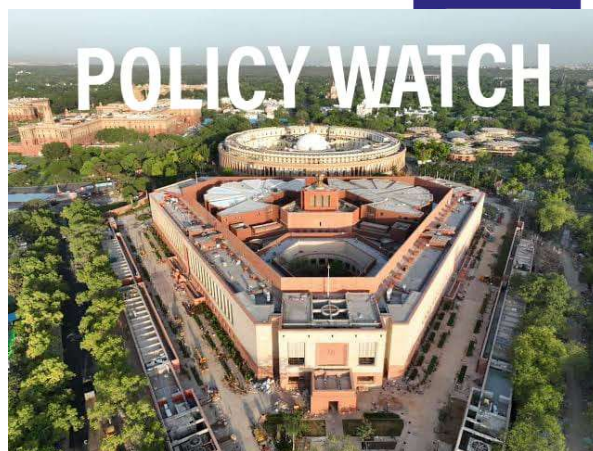
## RBI Updates

### Digital Payments Index for March 2024

The Reserve Bank of India (RBI) has been publishing a composite Reserve Bank of India – Digital Payments Index (RBI-DPI) since January 1, 2021 with March 2018 as base to capture the extent of digitization of payments across the country. The index for March 2024 stands at 445.50 as against 418.77 for September 2023.

The RBI-DPI index has increased across all parameters driven by significant growth in payment performance and payment infrastructure across the country over the period.

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=58371](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=58371)



### Launch of chatbot “SEVA” for investors.

In line with its mandate of investor protection, SEBI has launched SEBI's Virtual Assistant (SEVA) –an Artificial Intelligence (AI) based conversation platform for investors. The Beta version of the chatbot includes features like citations for generated response, speech-to-text and text-to-speech functionality for accessibility, follow-up questions, etc. The chatbot is presently enabled to answer questions relating to general information on securities market, latest master circulars, grievance redressal process, etc. Based on the

feedback received from the users, additional areas will be added to the chatbot. The beta version of the chatbot is available on SEBI's investor website (<https://investor.sebi.gov.in/>) and SAARTHI mobile app (both Android and iOS).

[https://www.sebi.gov.in/media-and-notifications/press-releases/jul-2024/sebi-launches-chatbot-seva-for-investors\\_85254.html](https://www.sebi.gov.in/media-and-notifications/press-releases/jul-2024/sebi-launches-chatbot-seva-for-investors_85254.html)

## GST

### **Introduction of Form GSTR-01A from July 2024 Tax Period for any rectification or amendments.**

As per the directions of the Government vide notification no. 12/2024 dt 10th July 2024, Form GSTR-1A has been made available to the taxpayer's form July 2024' tax period.

GSTR-1A is an optional facility to add, amend or rectify any particulars of a supply reported/missed in the current Tax period's GSTR-1 before filing of

GSTR-3B return of the same tax period.

GSTR-1A shall be open for the taxpayer after filing of GSTR-1 of a tax period or after the due date of GSTR-1 whichever is later.

<https://services.gst.gov.in/services/advisoryandreleases/read/509>

### **Form GSTR-08 for reduced Tax Collected at Source effective from 10<sup>th</sup> July 2024**

The GST Council has decided to reduce the Tax Collection at Source (TCS) rate from the current 1% to 0.5%, as outlined in Notification No. 15/2024 dated 10th July 2024. This change will be effective from 10th July 2024. For transactions occurring from 1st July to 9th July 2024, the existing TCS rate of 1% will remain in force, meaning taxpayers must collect and report TCS at this rate for that period. However, starting from 10th July 2024, the revised TCS rate of 0.5%—comprising 0.25% CGST, 0.25% SGST/UTGST, or

0.5% IGST—will apply. Taxpayers need to ensure that their systems and processes are updated accordingly to reflect this new rate for transactions conducted from the effective date onward.

<https://services.gst.gov.in/services/advisoryandreleased/read/512>

## Verdicts

### Direct Tax

Direct  
Tax

#### Act: The Income Tax Act, 1961

**Where Assessing Officer on basis of audit objections issued a notice for reopening assessment in case of assessee, since assessee had specifically asked for documents to be supplied including complete case proceedings and for personal hearing, which was not given and Assessing Officer had acted in undue haste, orders passed under section 148A(d) and under section 148 were to be set aside**

Vide Decision of HIGH COURT OF ALLAHABAD

Ravish Rastogi . v. Union Of India

#### Facts of the case:

1. The Assessing Officer passed an assessment order under section 143(3) wherein certain additions were made to the income that was declared by the assessee on the basis of unexplained cash and on account of excess stock not recorded in the books of account.
2. The assessee preferred an appeal before the Commissioner (Appeals) against the assessment order.
3. During the pendency of the appeal, the revenue audit raised an objection to the assessment order that the assessment had not been conducted in a manner prescribed by the Act and there was violation of section 69A.
4. The Assessing Officer issued notice on the basis of audit

objections under section 148A(b).

5. The assessee submitted a detailed reply wherein he asked for copies of audit objections and all relevant documents and also asked for personal hearing. However, order was passed by the Assessing Officer under section 148A(d) rejecting the reply submitted by the assessee without providing him copies of audit objections and also without providing him opportunity of personal hearing. A notice under section 148 had also been issued proposing reassessment of income.
6. On writ petition, the assessee submitted that the Assessing Officer had acted in undue haste.

**Judgement:**

1. There is no dispute regarding explanation given under section 148 regarding information that can be relied upon by the Assessing Officer to reopen assessment of escaped income.

Revenue Audit Objections can be considered as a valid ground for opening assessment that has concluded

2. It is opined that the reply of the assessee had specifically asked for documents to be supplied including complete case proceedings and for personal hearing, which was not given. The Assessing Officer has acted in undue haste
3. The orders under section 148A(d) and under section 148 are set aside. The revenue shall provide all relevant documents that have been asked for by the assessee in his representation by making payment of necessary fees to the department, within a period of one week from today. The assessee shall submit his reply within one week, thereafter. A personal hearing shall be given by the Assessing Officer, and an order under section 148(d) be passed after considering the submissions made by the assessee in his reply as also his

personal hearing within three weeks, thereafter

4. Accordingly, the writ petition is allowed only to this extent.

## Indirect Tax

### Act: Central Goods and Services Act, 2017

**Where claim for interest on delay in Where order in original confirmed demand against assessee for mismatch between GSTR 1 and GSTR 3B returns, and appeal of assessee was rejected solely on ground of limitation, in view of fact that mismatch was rectified before order in original was passed, Appellate Authority was to be directed to consider and dispose of appeal of assessee on merits**

Vide decision of HIGH COURT OF MADRAS ,

Pixel Cube vs Deputy Commissioner (ST), GST Appeal

### Facts of the case:

1. The impugned order dated 10-10-2023 confirmed a tax proposal due to a mismatch between the assessee's GSTR 1 and GSTR 3B returns.
2. The assessee appealed the decision, but the appeal was rejected on grounds of limitation.
3. The assessee argued that the mismatch was rectified before the original order was issued and that the appeal was delayed because the order was uploaded on the portal, with the assessee only becoming aware of it on 8-3-2024.
4. The assessee claimed that, given an opportunity, they could explain the mismatch. It was found that the appeal was rejected because it was filed 29 days beyond the condonable period under section 107

### Judgement:

1. Upon reviewing the impugned order, it is evident that the

appeal was dismissed due to this delay.

2. The petitioner had stated that the appeal was delayed because the order was only accessible on the portal and was noticed by the petitioner on 08.03.2024.
3. Considering that the delay was just 29 days beyond the condonable period, it is deemed fair and appropriate to direct the appellate authority to reconsider the appeal on its merits.
4. Therefore, the order dated 23.04.2024 is set aside, and the matter is remanded to the appellate authority.
5. The petitioner is required to re-present the appeal within ten days of receiving a copy of this order, and the appellate authority is directed to adjudicate the appeal on its

merits without addressing the limitation issue.

### Statutory and Tax Compliance Calendar of September 2024

GOODS & SERVICE TAX	
10 <sup>th</sup> Sept	GSTR-7(GST-TDS)
10 <sup>th</sup> Sept	GSTR-8(GST-TCS)
11 <sup>th</sup> Sept	GSTR-01
13 <sup>TH</sup> Sept	GSTR-5-Non-Resident Taxable Person
13 <sup>TH</sup> Sept	GSTR-6-Input Service Distributor
20 <sup>th</sup> Sept	GSTR-3B
20 <sup>th</sup> Sept	GSTR-5A (OIDAR Services)

STATUTORY	
10 <sup>th</sup> Sept	Professional Tax (PT)
15 <sup>th</sup> Sept	Provident Fund (PF), ESI Payment for July
30 <sup>th</sup> Sept	Form FC-3 (Annual Accounts of Foreign Companies)
30 <sup>th</sup> Sept	DIR 3 KYC for DIN Holders



**INCOME TAX**

<b>7<sup>th</sup> Sept</b>	Depositing TDS and TCS for August 2024
<b>15<sup>th</sup> Sept</b>	ESIC payment
<b>15<sup>th</sup> Sept</b>	EPF payment
<b>30<sup>th</sup> Sept</b>	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)
<b>30<sup>th</sup> Sept</b>	Application in Form 9A for exercising the option available under Explanation to section 11(1) to apply income of previous year in the next year or in future. (for trust)

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for earlier issues

**“Doubt kills more dreams than failure ever will” – Suzy Kassem**