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Monthly Tax & Regulatory Updates



Audit



Tax



Regulatory



M&A

September 2023

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Goods & Services Tax (`GST`)

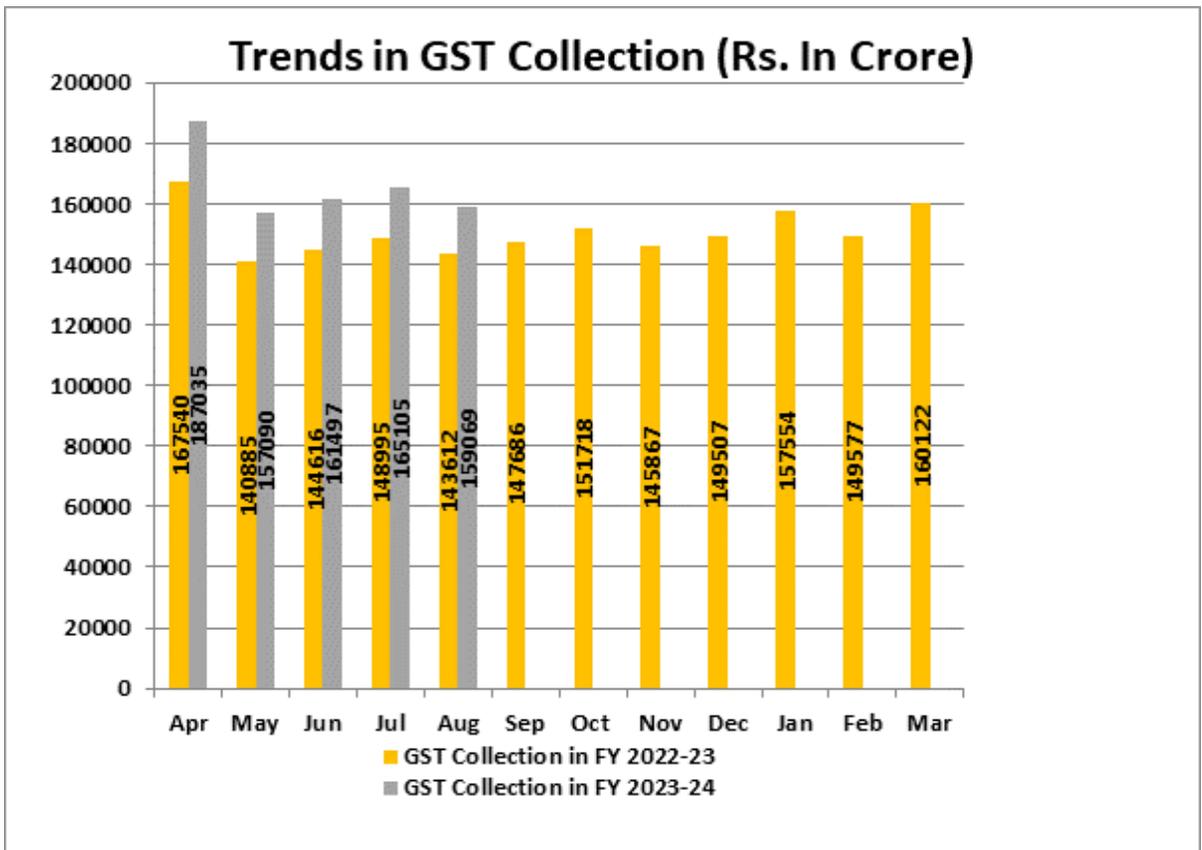


GST revenue collection for August 2023 Rs. 1,59,069 Crore (11% higher than GST revenue collection in August 2022)

The gross GST collected in the month of August 2023 is Rs. 1,59,069 Crore as below:

IGST (Integrated Goods and Services Tax)	Rs. 83,251 Crore
CGST (Central Goods and Services Tax)	Rs. 28,328 Crore
SGST (State Goods and Services Tax)	Rs. 35,794 Crore
Compensation cess	Rs. 11,695 Crore
Total	Rs. 1,59,069 Crore

The revenues for the month of August 2023 are 11% higher than the GST revenues in the same month last year. During the month, the revenues from domestic transactions (including import of services) are 14% higher than the revenues during the same month last year.



Please [Click Here](#) to read Press Release dated 1 September 2023.

Special procedure for registration of machines & filing of monthly returns for manufacturers of pan masala & tobacco products to be effective from 1 January 2024 onwards

In the 50th GST Council meeting held on 11 July 2023, the GST Council had recommended special procedure for manufacturers of tobacco, pan masala etc. for registration of machines and for filing of monthly returns. Accordingly, a special procedure was prescribed vide Notification no. 30/2023 Central Tax dated 31 July 2023 for registered persons engaged in the manufacture of pan masala and certain other tobacco products.

Now, the Central Board of Indirect Taxes & Customs has notified that such special procedure shall be effective from 1 January 2024 onwards.

Please [Click Here](#) to read Notification no. 30/2023 - Central Tax dated 31 July 2023.

Please [Click Here](#) to read Notification no. 47/2023 - Central Tax dated 25 September 2023.

Central Board of Indirect Taxes & Customs (CBIC) inserts specific provisions in CGST Rules, 2017 for valuation of supply of online gaming & supply of actionable claims in casino

Background

In the 50th GST Council meeting held on 11 July 2023, the Council had recommended that the actionable claims supplied in Casinos, Horse racing and Online gaming may be taxed @ 28% on full face value, irrespective of whether the activities are a game of skill or chance. The Council had also recommended that the law may be amended to provide clarity in the matter.

Accordingly, the Council in the 51st meeting held on 2 August 2023 recommended that valuation of supply of online gaming and actionable claims in casinos may be done based on the amount paid or deposited with the supplier, by the player (excluding the amount entered into games/ bets out of winnings of previous games/ bets) and not on the total value of each bet placed. In this connection, the Central Government, on the recommendations of the GST Council, made following amendments to the Central GST Rules, 2017.

Notification no. 45/2023 - Central Tax issued on 6 September 2023

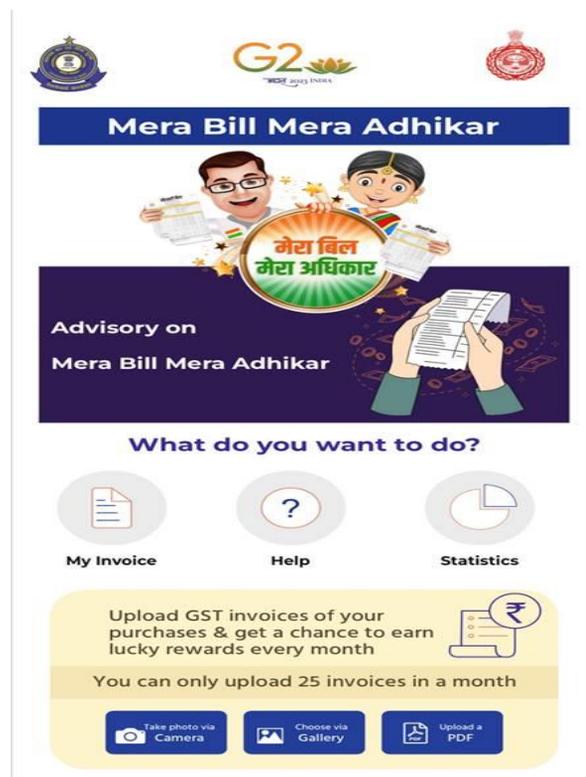
- *Value of supply in case of online gaming including online money gaming*
- ✓ The value of supply of online gaming (including actionable claims), shall be the total amount paid, payable, deposited with the supplier by way of money, money's worth, virtual digital assets, by the player
- ✓ Any amount returned / refunded by the supplier shall not be deductible from the value of supply of online money gaming
- ✓ Any amount received by the player on winning which is used for playing in a further event without withdrawing, shall not be considered as the amount paid, deposited with the supplier by the player

- *Value of supply of actionable claims in case of casino*
- ✓ The value of supply of actionable claims in casino shall be the total amount paid by the player for:
 - i. purchase of the tokens, chips, coins, tickets etc. for use in casino; or
 - ii. participating in any event, game, scheme, competition, activity, process etc. in the casino where the token, chips, coins or tickets etc. are not required
- ✓ Any amount returned / refunded by the casino to the player shall not be deductible from the value of the supply of actionable claims in casino
- ✓ Any amount received by the player by winning any event, game, scheme, competition, activity, process etc. which is used for playing in a further event without withdrawing, shall not be considered as the amount paid, deposited with the supplier by the player

Please [Click Here](#) to read Notification no. 45/2023 – Central Tax dated 6 September 2023 issued by CBIC.

Scheme launched to encourage customers to demand a GST invoice on their purchases

In order to encourage the culture of generation of GST invoice / bills on payments, Deputy Chief Minister of Haryana participated in a campaign which became active from 1 September 2023 onwards and gained momentum with more than 1.51 lakh downloads of the app by the consumers. The scheme encourages consumers to demand bills for their purchases from vendors, thereby protecting their rights and promoting transparency in commercial transactions.



Please [Click Here](#) to read the Press Release dated 1 September 2023 issued by Ministry of Finance.

Establishment of State Benches of GST Appellate Tribunal

The Central Government, on the recommendation of the GST Council, has constituted 31 State Benches of the GST Appellate Tribunal to expedite resolution of tax disputes.

Please [Click Here](#) to read the complete list of the State benches and their locations.

Direct Tax



Direct Tax

Direct tax collection for Financial Year (FY) 2023-24 (upto 16 September 2023) Rs. 9.87 Lakh Crore, 18.29 % higher than gross collection for corresponding period last year

The Central Board of Direct Taxes has released the following statistics on 16 September 2023.

For the period 1 April 2023 till 15 September 2023	Amount	Remarks
Gross direct tax collection	Rs. 9.87 lakh crore	<ul style="list-style-type: none">18.29% higher than gross collection for corresponding period last yearGross collection includes corporate tax, personal income-tax (including securities transaction tax), advance tax, tax deducted at source (TDS), self-assessment tax, regular assessment tax and others
Net direct tax collection (after adjustment of refunds)	Rs. 8.65 lakh crore	23.51% higher than net collection for corresponding period last year
Refunds issued	Rs. 1.21 Lakh crore	-
Advance tax collections	Rs. 3.55 lakh crore	20.73% higher than gross collection for corresponding period last year

Please [Click Here](#) to read Press Release dated 16 September 2023.

Direct Tax

Issue of certificate for deduction of tax at lower rate, in case where number of payers > 100 & details of such persons not available with the applicant - Central Board of Direct Taxes (CBDT) prescribes procedure for electronic filing of application in Form 13 & generation of certificate for lower deduction of tax

Background

- As per section 197(1) of the Income-tax Act, if the tax officer in case of an applicant (taxpayer) is satisfied that the taxable income of such applicant justifies deduction of tax at a rate lower than the prescribed rate, the tax officer shall, on an application made by the applicant issue to him such certificate as may be appropriate. Rule 28 of the Income-tax Rules provides for filing of the application in Form 13 electronically
- Proviso to Rule 28AA(4) provides for issue of certificate for deduction of tax at lower rate in cases where the number of persons responsible for deducting the tax is likely to exceed 100 *and* the details of such persons are not available with the applicant at the time of submitting the application with the Income-tax department

Notification no. 2/ 2023 dated 27 September 2023 issued by CBDT

- CBDT has now prescribed the procedure for submitting the application in Form 13 in such cases (i.e., where the number of persons responsible for deducting the tax is likely to exceed 100 *and* the details of such persons are not available with the applicant at the time of submitting the application). The procedure involves filing of the application through TRACES portal and is applicable from 1 October 2023 onwards

Direct Tax

- Key steps prescribed in the procedure include the following:
 - ✓ Logging in to TRACES
 - ✓ Submission of application in Form 13 along with Annexure II
 - ✓ Assignment of the application to TDS tax officer
 - ✓ Processing of the application by TDS tax officer, range heads and commissioner
 - ✓ Issue of certificate for deduction of tax at lower rate
- The certificate issued by tax office (reported by deductors who have received the same from the applicant in the TDS returns) shall be consumed on the basis of processing of TDS returns as per First-In-First-Out (FIFO) principle. The deductors have been advised to verify / track consumption status of the certificate before furnishing certificate details in TDS returns

Please [Click Here](#) to read Notification no. 2/ 2023 dated 27 September 2023.

CBDT prescribes fresh categorization of NBFCs in alignment with Reserve Bank of India (RBI) regulations, for the purpose of (a) tax deduction u/s 43B of interest on loan borrowed from NBFC, & (b) year of taxability u/s 43D of interest income on certain categories of bad / doubtful debts received by NBFCs

Background

- Prior to Finance Act, 2023, section 43B of the Income-tax Act provided for tax deduction of interest payable on loan borrowed from a deposit-taking NBFC and systemically important non-deposit taking NBFC, on payment basis. Similarly, section 43D governed year of taxability of interest income on certain categories of bad or doubtful debts received by such deposit-taking NBFC and systemically important non-deposit taking NBFC

Direct Tax

- Such categorization of NBFCs was found to be redundant and no longer followed by Reserve Bank of India (RBI) for the purpose of asset classification. Accordingly, vide an amendment made by Finance Act, 2023, reference to *deposit-taking NBFC and systemically important non-deposit taking NBFC* has been replaced with 'such class of NBFCs as may be notified by the Central Government', with effect from Assessment Year 2024-25 onwards

Notification no. 80 dated 22 September 2023 issued by CBDT

- CBDT has issued a notification on 22 September 2023, wherein the new criteria for categorization of NBFCs has been prescribed. As per the notification, going forward the NBFCs would be classified as those falling in *Top Layer, Upper Layer and Middle Layer*, in consonance with RBI's guidelines.
- *Middle Layer* would consist of
 - ✓ All deposit taking NBFCs, irrespective of asset size
 - ✓ Non-deposit taking NBFCs with asset size \geq Rs.1000 crore, and
 - ✓ NBFCs undertaking the following activities (i) Standalone Primary Dealers, (ii) Infrastructure Debt Fund - NBFCs, (iii) Core Investment Companies, (iv) Housing Finance Companies, and (v) Infrastructure Finance Companies
- *Upper Layer* would comprise of those NBFCs which are specifically identified by RBI as warranting enhanced regulatory requirement based on a specified set of parameters and scoring methodology. The top 10 eligible NBFCs in terms of their asset size shall always reside in the upper layer, irrespective of any other fact
- *Top Layer* will ideally remain empty. This layer can get populated if RBI is of the opinion that there is a substantial increase in the potential systemic risk from specific NBFCs in the Upper Layer. Such NBFCs shall move to the Top Layer from the Upper Layer.

Please [Click Here](#) to read Notification No. 79/2023 dated 22 September 2023

Please [Click Here](#) to read Notification No. 80/2023 dated 22 September 2023

Direct Tax

Charitable & Religious Trusts / Institutions – Extension of due date for submission of audit report in Forms 10B, 10BB & Income-tax return (ITR-7) for FY 2022-23, by 1 month

Background

Trusts / Institutions are eligible to claim tax exemption under 2 regimes:

- 1st Regime - Fund / Institution / Trust / University / Educational Institution / Hospital / Medical Institution referred u/s 10(23C)(iv) or (v) or (vi) or (via) of Income-tax Act, and
- 2nd Regime - Trust registered u/s 12AA/ 12AB of Income-tax Act.

Trusts / Institutions are required to get their accounts audited annually in order to be entitled for the prescribed tax exemption under the Income-tax Act. The audit report is required to be submitted in Form 10B, where

- The total income of Trust / Institution > Rs. 5 Crore during the year, or
- Such Trust / Institution has received any foreign contribution during the year, or
- Such Trust / Institution has applied any part of its income outside India during the year

In other cases, the audit report is required to be furnished in Form 10BB.

The Income-tax return (ITR) in Form ITR-7 is required to be submitted by the Trusts / Institutions annually.

Extension of due date for submission of above forms for FY 2022-23

The due date for submission of audit reports in Form 10B and 10BB for FY 2022-23 has been extended by a month from 30 September 2023 to *31 October 2023*. Similarly, the due date for submission of ITR-7 has been extended from 31 October 2023 to *30 November 2023*.

Please [Click Here](#) to read Circular no. 16 dated 18 September 2023.

Direct Tax

Transfer of unit of investment trust / scheme / exchange traded fund launched under International Financial Services Centre (IFSC) Authority (Fund Management) Regulations, 2022, made capital gains tax exempt u/s 47(viiab)(d) of the Income-tax Act

Background

As per section 47 of the Income-tax Act, 1961, certain transactions are not regarded as a 'transfer' for the purpose of capital gains taxability. One of such transactions u/s 47(viiab)(d) is transfer of listed securities notified by the Central Government, made by a non-resident on a stock exchange listed in an IFSC and where the consideration is payable in foreign currency.

Pursuant to the above, Central Board of Direct Taxes (CBDT) issued notification no. 16/2020 on 5 March 2020 prescribing the following securities transfer of which would be capital gains-exempt as per section 47(viiab)(d) of the Act:

- Foreign currency denominated bond
- Unit of a mutual fund
- Unit of a business trust
- Foreign currency denominated equity share of a company
- Unit of Alternative Investment Fund (AIF)

Notification no. 71 dated 12 September 2023 issued by CBDT

CBDT has now added the following categories of securities to the above list, transfer of which would be capital gains-exempt u/s 47(viiab)(d):

- Unit of investment trust [as per IFSC Authority (Fund Management) Regulations, 2022]
- Unit of a scheme [as per IFSC Authority (Fund Management) Regulations, 2022]
- Unit of an Exchange Traded Fund launched under IFSC Authority (Fund Management) Regulations, 2022

Please [Click Here](#) to read Notification no. 71 dated 12 September 2023.

Direct Tax

CBDT notifies Form 71 to allow credit of tax deducted at source (TDS) on income offered to tax in ITR of an earlier year

Background

- TDS mismatch is common in cases wherein income is disclosed / offered to tax by taxpayer (recipient) in ITR of Year 1 but tax is deducted and deposited by the payer of income in Year 2. This leads to difficulty for taxpayer to claim credit of TDS following the matching concept
- To reduce cases of TDS mismatch, a new section 155(20) was inserted in the Income-tax Act by the Finance Act, 2023, allowing taxpayers to file an application with tax officer in such cases, within 2 years from the end of the FY in which tax is deducted. Tax officer has been entitled to amend the order of assessment / intimation for Year 1 accordingly and grant credit of TDS. Time limit u/s 154(7) has been relaxed consequently

Format of application in Form 71 prescribed by CBDT

Pursuant to the above, CBDT has prescribed a new *Form 71* which needs to be filed by the taxpayer (applicant) to avail the above facility. The form needs to be submitted electronically under digital signature or through electronic verification code. Some of the key details required to be submitted by the taxpayer are as below:

- Personal details (name, address, PAN, aadhaar, residential status, e-mail id, mobile phone number, relevant assessment year, date of furnishing ITR, etc.)
- Total income of the taxpayer returned in the relevant assessment year, amount of specified income and rate at which such specified income was subject to tax
- Amount of tax deducted, date of deduction of tax, section and rate at which tax deducted, date of payment of tax deducted to the Central Government and amount of tax claimed for the relevant assessment year
- Name, PAN and TAN of deductor

Please [Click Here](#) to read Notification no. 73 dated 30 August 2023 including the detailed Form 71.

International Taxation



International Taxation

Transfer Pricing – Advance Pricing Agreement (APA) – CBDT releases 5th annual report (for FY 2022-23)

What is APA?

An agreement between the Government and taxpayer, which determines in advance, the arm's length price (ALP) or manner of determination of ALP, in relation to an international transaction. APA programmes are operational in a number of countries for a long time. The primary goal of APA programme is to provide certainty to taxpayers in respect of pricing of cross-border transactions undertaken by taxpayers with their group entities.

APA programme in India

The APA programme in India was launched in 2012 vide the Finance Act, 2012 through the insertion of sections 92CC and 92CD in the Income-tax Act, 1961. These provisions, effective from 1 July 2012 onwards, lent the legal backing to CBDT to enter into APAs with taxpayers for a maximum period of 5 years in respect of international transactions between associated enterprises (AEs) to determine the ALP or to specify the manner in which the ALP is to be determined.

Under the Indian APA programme, APAs can be:

- Bilateral, involving CBDT and the tax authorities of another country, or
- Unilateral, involving CBDT only

Over the last 11 years, more than 1600 applications have been filed in India. About 75% of these are for unilateral APAs between the Indian taxpayer and the CBDT. Till 31 March, 2023, 516 Agreements have been entered into (420 unilateral and 96 bilateral).

International Taxation

Release of 5th annual APA report by CBDT

CBDT has recently released the 4th and 5th annual APA reports, presenting key data and statistics pertaining to the APA programme. These include sectoral distribution of applicants, nature of transactions covered, transfer pricing methodologies applied etc.

The 5th report includes status of applications filed till 31 March 2023. The statistics are updated till FY 2022-23, for the present. The report highlights various achievements of the APA programme in FY 2022-23.

CBDT also signed 32 bilateral APAs in FY 2022-23 being the maximum number of bilateral APAs in any FY till date. This figure is more than double the previous signing record of 13 bilateral APAs in any FY. The report also details the country-wise distribution of these applications. The bilateral APAs were signed as a consequence of entering into mutual agreements with India's treaty partners namely Finland, UK, US, Denmark, Singapore, and Japan, showcasing the maturity of India's relationship with various treaty partners.

A record of the largest number of single day signings in the history of the programme was also created with a total of 21 APAs signed on 24 March 2023. Additionally, signing of the 400th unilateral APA and the 500th APA were also milestones achieved in this year.

Please [Click Here](#) to read the press release dated 1 September 2023.

Please [Click Here](#) to read the 5th annual APA report (FY 2022-23).

Corporate Law & Regulatory



Corporate Law & Regulatory

Extension of timeline till 30 September 2024 for companies to conduct Annual General Meeting (AGM) & Extraordinary General Meeting (EGM) through video conferencing (VC) or other audio visual means (OAVM)

Due to COVID-19, Ministry of Corporate Affairs vide various circulars issued has allowed companies to conduct their AGMs / EGMs through VC or OAVM within such timelines as below:

Type of meeting	Previous extension	Circular (please click to read)	Current extension	Circular (please click to read)
AGM	Companies allowed to conduct AGMs due to be held during the year 2020 through VC / OAVM till 30 September 2020	Circular no 20/2020 dated 5 May 2020	Companies allowed to conduct AGMs due to be held during the year 2023 or 2024 through VC / OAVM till 30 September 2024.	Circular no 9/2023 dated 25 September 2023
	Companies allowed to conduct AGMs due to be held during the year 2020 and 2021 through VC / OAVM till 31 December 2021	Circular no 2/2021 dated 13 January 2021		
	Companies allowed to conduct AGMs due to be held during the year 2021 and 2022 through VC / OAVM till 30 June 2022	Circular no 19/2021 dated 8 December 2021 and Circular no 21/2021 dated 14 December 2021		
	Companies allowed to conduct AGMs due to be held during the year 2022 through VC / OAVM till 31 December 2022	Circular no 2/2022 dated 5 May 2022		
	Companies allowed to conduct AGMs due to be held during the year 2023 through VC / OAVM till 30 September 2023	Circular no 10/2022 dated 28 December 2022		

Corporate Law & Regulatory

Type of meeting	Previous extension	Circular (please click to read)	Current extension	Circular (please click to read)
EGM	Companies allowed to conduct EGMs through VC / OAVM till 30 June 2020	Circular no 14/2020 dated 8 April 2020 and Circular no 17/2020 dated 13 April 2020	Companies allowed to conduct EGMs through VC / OAVM till 30 September 2024.	Circular no 9/2023 dated 25 September 2023
	Companies allowed to conduct EGMs through VC / OAVM till 30 September 2020	Circular no 22/2020 dated 15 June 2020		
	Companies allowed to conduct EGMs through VC / OAVM till 31 December 2020	Circular no 33/2020 dated 28 September 2020		
	Companies allowed to conduct EGMs through VC / OAVM till 30 June 2021	Circular no 39/2020 dated 31 December 2020		
	Companies allowed to conduct EGMs through VC / OAVM till 31 December 2021	Circular no 10/2021 dated 23 June 2021		
	Companies allowed to conduct EGMs through VC / OAVM till 30 June 2022	Circular no 20/2021 dated 8 December 2021		
	Companies allowed to conduct EGMs through VC / OAVM till 31 December 2022	Circular no 3/2022 dated 5 May 2022		
	Companies allowed to conduct EGMs through VC / OAVM till 30 September 2023	Circular no 11/2022 dated 28 December 2022		

MCA has further clarified that the above extensions are limited to holding of AGM through VC or OAVM and in no way provides extension of time period for holding AGMs by companies under the Companies Act, 2013. Thus, companies which have not adhered to the relevant timelines of holding AGM shall remain subject to legal action under the Companies Act, 2013.

Corporate Law & Regulatory

Limited Liability Partnerships (LLPs) – Ministry of Corporate Affairs (MCA) prescribes amended Form 3 (LLP Agreement & changes therein) & Form 4 (details of partner / designated partner)

In order to improve transparency and streamline the reporting requirements for LLPs, MCA has revised Forms 3 and 4 vide the LLP (2nd Amendment) Rules, 2023. The key changes include:

- Additional information needs to be given for each partner, such as contribution in form of money or property, profit-sharing ratio, other benefit along with the details of Director Identification Number (DIN), Permanent Account Number (PAN) and passport
- Form 3 must now indicate the total number of amendments made in LLP agreement over the past years. Also, facility to report additional modifications beyond those specifically requested for, has also been allowed

Please [Click Here](#) to read the new Forms 3 and 4 prescribed by MCA on 1 September 2023.

LLPs - Condonation of delay in filing Forms 3, 4 & 11 (annual return)

Reportedly, representations have been received by the Government that certain LLPs are finding it difficult to file Form 3, 4, 11 with MCA, due to various reasons including mismatch in master data in electronic registry of the MCA. Consequently, the records / data in the electronic registry are also not being updated.

To address this difficulty, MCA has granted 1-time relaxation in additional fee to those LLPs who could not file Form 3, 4, 11 within the due date. Such LLPs have been given an opportunity to update their filings and details in master data for future compliances.

Corporate Law & Regulatory

The salient features of relaxation provided by MCA are as below.

- The Forms 3 and 4 will be processed under Straight Through Process (STP) mode for all purposes except for change in business activities
- At the time of filing these forms, the pre-filled data as per existing master data of the LLP shall be provided and the same shall also have the facility to edit
- The filing of Forms 3 and 4 without additional fee shall be applicable for events falling on or after 1 January 2021. For events prior to the said date, Forms 3 and 4 can be filed with 2 times (for small LLPs) and 4 times (for other than small LLPs) of normal filing fee
- The filing of Form 11 without additional fee shall be applicable for FY 2021-22 onwards. For prior years, Form 11 can be filed with 2 times (for small LLPs) and 4 times (for other than small LLPs) of normal filing fee
- The forms shall be available for filing from 1 September 2023 till 30 November 2023 (both dates inclusive). The LLPs availing the scheme shall not be liable for any penal action for delayed filing of the forms under consideration

Please [Click Here](#) to read Circular no. 8 dated 23 August 2023.

Securities Exchange Board of India (SEBI) - Reduction of timeline for listing of shares in public issue from existing T + 6 days to T + 3 days

- SEBI, during its meeting on 28 June, 2023, approved the reduction of timeline for listing of shares in public issue from 6 working days (T+6) to 3 working days (T+3). T stands for the date on which public offer ends
- Pursuant to the above, SEBI has issued circular no. SEBI/HO/CFD/TPD1/CIR/P2023/140 dated 9 August 2023, as per which every company shall be required to list its shares within 3 working days (T+3) subsequent to the end of public issue
- This change is likely to benefit both issuer company as well as investors. For the issuer company, it would get access to money faster, whereas for investors, they can start using and selling their investments earlier

The circular is applicable on voluntary basis for public issues opening on or after 1 September 2023. It will become mandatory for public issues starting on or after 1 December 2023.

Please [Click Here](#) to read Circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated 9 August 2023.

Industrial & Labour Law



Industrial & Labour Law

Revision in Haryana Minimum Wages effective from 1 July 2023 onwards

The Labour Department, Government of Haryana, notifies revision in the minimum wages for workers twice a year, effective from the 1st day of January / July. The adjustments in the minimum wages are made in accordance with changes in the Consumer Price Index (CPI).

As per the latest notification issued on 28 August 2023, the minimum wages have been revised for the state of Haryana as below, from **1 July 2023 onwards**.

Category of Worker / Employment	Basic Per Month (Rs.)	Total Per Month (Rs.) (A)	Dearness Allowance (Rs.) (B)	Total Per Month (Rs.) (A+B)	Total Per Day (Rs.)
Unskilled	7600.00	10532.84	128.44	10661.28	410.05
Semi Skilled Class A	7980.00	11059.44	134.86	11194.30	430.55
Semi-Skilled Class B	8379.00	11612.40	141.60	11754.00	452.08
Skilled Class A	8797.95	12193.03	148.68	12341.71	474.68
Skilled Class B	9237.85	12802.69	156.12	12958.81	498.42
Highly Skilled	9699.74	13442.82	163.93	13606.75	523.34

Please [Click Here](#) to read Notification no. IR 2/2023/22979-23109 dated 28 August 2023.

Industrial & Labour Law

Revision in Maharashtra Minimum Wages effective from 1 July 2023 onwards

The Labour Department, Government of Maharashtra, notifies revision in the minimum wages for workers twice a year, effective from the 1st day of January / July. The adjustments in the minimum wages are made in accordance with changes in the CPI.

As per the latest notification issued on 1 September 2023, the minimum wages have been revised for the state of Maharashtra as below, from **1 July 2023 onwards**.

Category of Worker / Employment	Basic Per Month (Rs.)	House Rent Allowance (Rs.)	Dearness Allowance (Rs.)	Total Per Month (Rs.)	Total Per Day (Rs.)
Unskilled – Zone I	10021.00	634.95	2678.00	12699.00	488.42
Unskilled – Zone II	9425.00	605.15	2678.00	12103.00	465.50
Unskilled – Zone III	8828.00	575.30	2678.00	11506.00	442.54
Semi-skilled – Zone I	10856.00	676.70	2678.00	13534.00	520.54
Semi-skilled – Zone II	10260.00	646.90	2678.00	12938.00	497.62
Semi-skilled – Zone III	9664.00	617.10	2678.00	12342.00	474.69
Skilled – Zone I	11632.00	715.50	2678.00	14310.00	550.38
Skilled – Zone II	11036.00	685.70	2678.00	13714.00	527.46
Skilled – Zone III	10440.00	655.90	2678.00	13118.00	504.54

Please [Click Here](#) to read the details.

Industrial & Labour Law

Amendment of Factories Act, 1948 in the state of Karnataka

The Government of Karnataka has notified the Factories (Karnataka Amendment) Act, 2023 on 7 August 2023. The amendment brings changes revolving around daily working hours, interval for rest, additional wages for overtime work, night shift for women workers, etc.

The key changes have been summarized below.

Section	Particulars	Amendment												
54(2)	Extension of working hours	The State Government may extend the daily maximum hours of work up to 12 hours inclusive of interval for rest in any day, subject to (a) maximum of 48 hours in any week, and (b) written consent of the worker												
54(3)	Interval during working hours	In view of the flexibility in working hours, the State Government may allow to work up to 6 hours (without an interval) and the spread over to 12 hours (inclusive of interval for rest)												
65	Overtime hours	The permissible overtime hours in a quarter has been increased from 75 to 144												
59	Introduction of 4-days working week	<p>This amendment brings the concept of 4- days working week along with 5 days or 6 days. Now, working weekly hours will be as below</p> <table border="1"><thead><tr><th>Weekly working days</th><th>Working hours (per day)</th><th>Maximum hours in a week</th></tr></thead><tbody><tr><td>6</td><td>9</td><td>48</td></tr><tr><td>5</td><td>10</td><td>48</td></tr><tr><td>4</td><td>11.5</td><td>-</td></tr></tbody></table>	Weekly working days	Working hours (per day)	Maximum hours in a week	6	9	48	5	10	48	4	11.5	-
Weekly working days	Working hours (per day)	Maximum hours in a week												
6	9	48												
5	10	48												
4	11.5	-												
-	Night shift for female workers	Employers are now permitted to engage women workers in a factory during night shift, subject to certain conditions like written consent and providing appropriate safety and security												

Please [Click Here](#) to read the notification dated 7 August 2023.

Industrial & Labour Law

Employees' Provident Fund Organisation (EPFO) standardizes process for correction of details in EPF account of employees

The EPFO has issued a circular on 23 August 2023 to standardise the process for correction / updation of details of EPF members. The circular has prescribed a standard operating procedure (SOP) to correct details of employees such as name, gender, date of birth, etc. The new process is likely to lead to easier updation of EPF member profile details, avoid rejection while processing claims as well as avoid frauds due to mismatch of data.

Please [Click Here](#) to read circular no. WSU/2022/Rationalisation of work areas/joint declaration (E-54108 /3638) dated 23 August 2023.

Extension of financial aid scheme till 30 June 2024 for unemployed individuals covered under Employees State Insurance (ESI) Act, 1948

Background

- The 'Atal Beemit Vyakti Kalyan Yojana' (ABVKY) is a scheme for the welfare of employees covered under ESI Act 1948, offering them relief payments for a period up to 90 days in the event of unemployment, but limited to a 1-time benefit. The scheme was launched on pilot basis in 2018, intended to run for 2 years. However, due to the outbreak of COVID-19 and the ensuing lockdown, the Government extended the unemployment scheme beyond the initial duration
- Under the scheme, eligible beneficiaries receive relief @ 50% of their average per day earnings from the preceding 4 contribution periods. This is calculated as the total earning during those 4 periods divided by 730
- To avail the benefits offered by ABVKY, insured individuals must satisfy the following criteria:
 - ✓ The person should have been in insurable employment for minimum 2 years prior to his unemployment
 - ✓ The person must have contributed for at least 78 days during the contribution period immediately preceding the unemployment and a minimum of 78 days in at least 1 of the remaining 3 contribution periods within the 2 years prior to unemployment
- Eligible individuals seeking benefit from the scheme can apply by submitting appropriate documents, including the ESI card or relevant documents from the employer

Extension of the scheme by 2 years (till 30 June 2024)

The Government of India has prolonged the duration of the scheme till *30 June 2024*. This marks the extension of the scheme for the 3rd time since inception. The objective of the extension is to provide financial support to employees who faced job losses during COVID 19.

Please [Click Here](#) to read the notification dated 1 September 2023.

Compliance Calendar

Compliance calendar for the month of October 2023

Compliance Due Date	Concerned (Reporting) Period	Compliance Detail	Applicable To
7 th October	September 2023	TDS / TCS deposit	Non-Government Deductors
10 th October		Equalization Levy deposit	All Deductors
11 th October		a) GSTR-7 (TDS return under GST)	a) Person required to deduct TDS under GST
		b) GSTR-8 (TCS return under GST)	b) Person required to collect TCS under GST
13 th October		GSTR-1 (Outward supply return)	a) Taxable persons having annual turnover > Rs. 5 crore in FY 2022-23 b) Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2022-23 and not opted for Quarterly Return Monthly Payment (QRMP) Scheme
	GSTR-6 [Return by input service distributor (ISD)]	Person registered as ISD	
	GSTR-5 (Return by Non-resident)	Non-resident taxable person (NRTP)	
	July-Sep 2023	GSTR-1 (Outward supply return)	Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2022-23 and opted for QRMP scheme
14 th October	FY 2022-23	Filing of statutory auditor's appointment in form ADT-1	All companies in which statutory Auditors are appointed in the AGM (assumed AGM is held on 30 September 2023)
15 th October	September 2023	Deposit of PF & ESI contribution	All Deductors
	July-Sep 2023	Form 27EQ –TCS return	All Collectors
	Apr – Jun 2023	TDS certificate in Form 16A TCS certificate in Form 27D	All Deductors All Collectors

Compliance Calendar

Compliance Due Date	Concerned (Reporting) Period	Compliance Detail	Applicable To
20 th October	September 2023	GSTR-3B (Summary return)	a) Taxable persons having annual turnover > Rs. 5 crore in FY 2022-23 b) Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2022-23 and not opted for QRMP scheme
		GSTR-5A [Online Information Database Access and Retrieval (OIDAR) services return]	OIDAR services provider
24 th October	July-Sep 2023	GSTR-3B (Summary return)	Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2022-23 and opted for QRMP scheme
29 th October	FY 2022-23	Filing of audited financial statements in form AOC-4 / AOC-4 XBRL	All Companies (whose AGM is held on 30 September 2023)
30 th October		Filing of Annual Accounts in Form 8	All LLPs
	July-Sep 2023	TCS certificate in Form 27D	All Collectors
31 st October	FY 2022-23	Income-tax Return (where Transfer Pricing is not applicable)	a) Corporates b) Non corporates (whose accounts are required to be audited) c) Partner of a firm whose accounts are required to be audited
		Transfer Pricing (TP) Report in Form 3CEB	Taxable persons having international transaction or specified domestic transaction
		Tax Audit Report in Form 3CA/3CB	
	Apr-Sep 2023	Details of MSME Trade Payables outstanding > 45 days from the date of acceptance of the goods or services.	All Companies having MSME trade payable outstanding for more than 45 days
	July-Sep 2023	TDS Return	All Deductors.

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The Leadership team comes with rich experience and is supported by a capable & efficient team of professionals including Chartered Accountants, Company Secretaries, Cost Accountants, Advocates and MBAs who are committed in providing timely, professional and quality services to our Clients

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