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# UNION BUDGET

## Union Budget 2024 Analysis of tax proposals

July 24, 2024

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Direct tax proposals

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# Direct tax proposals

# Individual taxation

## Key proposals

- Old tax regime - Available. No change.
- New tax regime - Proposals for April 1, 2024 (Assessment Year “AY” 2025-26) onwards are as under:
  - Standard deduction on salary income proposed to be increased from Rs 50,000 to Rs 75,000.
  - Deduction available on family pension proposed to be increased from Rs 15,000 to Rs 25,000.
  - Non-government employer is allowed deduction towards contribution made in NPS up to 14% (instead of 10%).

Tax rate	Existing income slab	Proposed income slab
Nil	Upto Rs 3 lakhs	Upto Rs 3 lakhs
5%	From Rs. 3,00,001 to Rs. 6,00,000	From Rs. 3,00,001 to Rs. 7,00,000
10%	From Rs. 6,00,001 to Rs. 9,00,000	From Rs. 7,00,001 to Rs. 10,00,000
15%	From Rs. 9,00,001 to Rs. 12,00,000	From Rs. 10,00,001 to Rs. 12,00,000
20%	From Rs. 12,00,001 to Rs. 15,00,000	From Rs. 12,00,001 to Rs. 15,00,000
30%	Above Rs. 15,00,000	Above Rs. 15,00,000



# Corporate Taxation

## Key proposals

- No change in corporate tax rates for domestic companies.
- Angel tax proposed to be abolished w.e.f. from April 1, 2024.
- Buyback tax proposed to be withdrawn. Going forward amounts distributed on buyback to be taxable as dividends in the hands of shareholder. The loss incurred on cost of share bought back by the company will be available for set off against any gains made on a subsequent sale. This change would come into effect from October 1, 2024.
- Starting April 1, 2024, exemption from capital gains tax is proposed to be restricted to only gifts by an individual or a Hindu undivided family. In other words, gift by companies, LLPs, etc. would be subject to capital gains tax in the hands of the donor.
- Deduction towards any amount paid to settle proceedings initiated in contravention to any law will not be allowed w.e.f. April 1, 2024.



# Non-resident Taxation

## Key proposals

- The tax rate for foreign companies is proposed to be reduced from 40% to 35%.
- Equalization Levy (“EL”) at the rate of 2% will not apply to consideration received or receivable for e-commerce supply or services on or after August 1, 2024. Consequently, exemption from income-tax available with respect to such payments is also proposed to be withdrawn from such date.
- A non-resident having a liaison office in India, is required to prepare and deliver a statement in respect of its activities in a F.Y. to the assessing officer within a prescribed period. Failure to do so would attract penal consequences.
- A time limit of 6 years has been proposed for completion of proceedings for not withholding taxes on payments to residents and non-residents.
- It is proposed that presumptive taxation under Section 44BBC for domestic cruise ship operations by non-residents will be introduced whereby 20% of the aggregate amount received would be deemed as profits / gains.





# Capital Gains Taxation

## Key proposals

Period Of Holding of Assets	Rate on LTCG & STCG	Others
<ul style="list-style-type: none"><li>• Divided in two thresholds<ul style="list-style-type: none"><li>– 12 Months –<ul style="list-style-type: none"><li>• All listed securities (including listed units of business trust)</li></ul></li><li>– 24 Months – Other assets:<ul style="list-style-type: none"><li>• Unlisted Securities</li><li>• Immovable Property</li><li>• Debentures, Bonds, Gold</li></ul></li></ul></li><li>• Assets held for more than the above thresholds would be regarded as long-term capital assets. Else, short term capital assets.</li></ul>	<ul style="list-style-type: none"><li>• Short term capital gains (“<b>STCG</b>”) tax rate on specified listed securities increased from 15% to 20%.</li><li>• Long term capital gains (“<b>LTCG</b>”) tax rate proposed to be standardised to 12.5% for all assets and taxpayers.</li><li>• Gains on sale of unlisted bonds and debentures would now be deemed to be taxable as STCG under section 50AA from July 23, 2024.</li></ul>	<ul style="list-style-type: none"><li>• Exemption granted for LTCG has been increased from Rs. 1,00,000 to Rs. 1,25,000 lacs p.a. w.e.f July 23, 2024.</li><li>• Benefit of indexation on LTCG proposed to be withdrawn w.e.f July 23, 2024.</li><li>• Consequential amendments proposed in various provisions to align the tax rates with the new rates as proposed.</li><li>• The units of 'Specified Mutual Fund' which have been subject to STCG have been defined broadly. Gains from transfer of unlisted bond or unlisted debenture on or after July 23, 2024 will also be deemed to STCG.</li></ul>



# Withholding / Collection of Taxes

## Key Proposals

- Tax Deduction at Source (“**TDS**”) rates have been reduced from 5% to 2% in some circumstances.
- All sums relating to TDS are currently deemed to be income received by taxpayer. It is proposed to specifically include taxes withheld outside India also as income of the taxpayer w.e.f. April 1, 2025.
- The scope of section 192(2B) is proposed to be expanded to allow credit of any tax deducted or collected for the purpose of TDS on salary payments to employees.
- Tax Collected at Source (“**TCS**”) at the rate of 1% of the sale consideration is proposed to be collected on luxury goods (as may be notified by the Government) of value exceeding Rs. 10 lakhs.
- Time limit to furnish correction statement in respect of TDS/TCS statements is proposed to be changed to 6 years from the end of the F.Y. in which such statement is made.
- It is clarified that the threshold limit of Rs. 50 lakhs for withholding tax on payments for purchase of immovable property in case of multiple transferors or transferees, will be determined on an aggregate basis for all the parties (and not individually).



# International Financial Services Centre (“IFSC”)

## Key proposals

- Exemption from tax on income from certain transfer of capital assets, income from non-residents, etc. has been extended to Indian funds which have been granted a certificate as a retail scheme or an Exchange Traded Fund by the IFSC Authority.
- The benefit of exemption for specified income of Core Settlement Guarantee Fund set up by a recognized clearing corporation has been extended to corporations in IFSC.
- It is proposed that limitation on interest deduction rules will not apply to finance companies located in IFSC.





# Charitable Trusts & Institutions

## Key proposals

- Currently, charitable trusts, funds or institutions are governed under two different regimes [i.e., First Regime: sections 10(23C)(iv), (v), (vi) and (via); and Second Regime: sections 11 to 13] effectively exempting them from income-tax liability, subject to conditions prescribed therein.
- It is proposed to merge both regimes into a single provision and continue with the Second Regime as the surviving regime w.e.f. **October 1, 2024**.
- Post October 1, 2024, new charitable trusts / institutions would need to be registered only under the Second Regime.
- Procedural changes with respect to seeking registrations, etc. to enable transition of charitable institutions from the First Regime to the Second Regime have been proposed.
- Section 12AC is proposed to be included whereby merger of one trust or institution registered under the First or Second Regime with another trust registered under either regime would not attract tax under Chapter XII-EB (which provides for levy of tax accreted income of certain trusts and institutions in cases involving dissolution, mergers or conversion into non-charitable objects).





# Measures to alleviate tax litigation

## Key proposals

- **Direct Tax Vivaad Se Vishwas Scheme, 2024**
  - Direct Tax *Vivaad Se Vishwas* Scheme, 2024 (**‘Scheme’**) is proposed to be introduced for the benefit of any person who would file a declaration under the Scheme. This would include any person who has filed an appeal, writ, or SLP before the appellate tribunal or filed objections before the dispute resolution panel.
- **Increase in monetary limit to approach Tribunals, High Court and Supreme Court**
  - As per the Budget speech, a proposal has been made to increase monetary limits for filing appeals in the Tax Tribunals, High Courts and Supreme Court to Rs. 60 lakh, Rs. 2 crores and Rs. 5 crores respectively.
- **Rationalization of Reassessment Provisions:**
  - The time limit for issuing notice of reassessment is proposed to be reduced to 3 year 3 months and 5 years 3 months from the end of the relevant assessment year, depending upon the quantum of the income escaped/ likely to be escaped.



# Partnership and LLP Taxation

## Key proposals

- It is proposed to enhance the limits for disallowance of the remuneration to the working partners under the firm as under from April 1, 2025:

<b>Book Profit</b>	<b>Limit</b>
On the first Rs. 6,00,000 of the book profit or in case of a loss	Rs. 3,00,000 or at the rate of 90 % of the book profit, whichever is more
On Balance	At rate of 60%

- Further, a new section 194T is proposed to be introduced to bring payments such as salary, remuneration, commission, bonus and interest to any account (including capital account) to partners of the firm within the withholding tax net. This withholding tax would apply at the rate of 10% for amounts aggregating to more than Rs 20,000 in the F.Y. starting from April 1, 2024.

# Miscellaneous

## Key proposals

- It is clarified that income from letting out of a residential house or a part of the house by the owner will be chargeable under the head “Income from house property”.
- Increase in securities transaction tax rates to 0.1% on options derivatives and 0.02% on futures derivatives w.e.f. October 1, 2024.
- A block assessment period of 6 (six) years prior to the year in which search, or requisition takes place is proposed to be introduced. This would apply to cases where search or requisition takes place on or after September 1, 2024.





# Indirect tax proposals

# Goods and Services Tax

## Changes in the Adjudication process

- Section 74A is proposed to be inserted in the CGST Act for issuance of notices and adjudication thereof from F.Y. 2024-25 onwards. Notices up to F.Y. 2023-24 to be issued under the existing Sections 73 and 74
- Comparative analysis between Section 73/ 74 and 74A is as follows:

Particulars	Section 73 (till F.Y. 2023-24)	Section 74 (till F.Y. 2023-24)	Section 74A (from F.Y. 2024-25)
Time limit for issuance of notice	33 months from the due date of furnishing annual return	54 months from the due date of furnishing annual return	42 months from the due date of furnishing annual return
Time limit for issuance of order	36 months from the due date of furnishing annual return	60 months from the due date of furnishing annual return	12 months from the date of issuance of notice, extendable by further 6 months, subject to approval

**JSA Comments:** Removal of extended period to issue notices under Section 74 in cases involving fraud, suppression and willful mis-statement is welcome relief to the assesseees and creates certainty in tax administration

# Goods and Services Tax

## Changes in the Adjudication process

<b>Section 73 (till F.Y. 2023-24)</b>	<b>Section 74 (till F.Y. 2023-24)</b>	<b>Proposed change in Section 74A (F.Y. 2024-25 onwards)</b>
Payment of tax and interest before issuance of notice: No penalty	Payment of tax and interest before issuance of notice: 15% penalty	Similar implications as outlined in Sections 73 & 74
Payment of tax and interest within 30 days of issuance of notice: No penalty	Payment of tax and interest within 30 days of issuance of notice: Penalty of 25% of tax amount	Period of 30 days extended to 60 days. Quantum of penalties remain unchanged
Payment of tax and interest within 30 days of issuance of Order: Penalty of 10% of tax amount	Payment of tax and interest within 30 days of issuance of Order: Penalty of 50% of tax amount	
Maximum penalty: Penalty of 10% of tax amount or Rs. 10,000 whichever is higher	Maximum penalty: Penalty of 100% of tax amount	Similar implications as outlined in Sections 73 & 74

Consequential amendments to make references to Section 74A are proposed to be carried out to the relevant provisions such as payment of tax (Section 49), payment of interest (Section 50), refund of tax (Section 54), scrutiny of returns (Section 61), audit (Section 65), etc.



# Goods and Services Tax

## Proposed waiver of interest and penalty for July 2017 to March 2020

- Section 128A is proposed to be introduced in the CGST Act to provide for waiver of interest and penalty for demands raised under Section 73, for the period from July 01, 2017 to March 31, 2020 (subject to conditions to be prescribed)
- Such waiver will be available in the following cases:
  - Notice/ Statement issued under Section 73 of the CGST Act [*Show Cause Notice*]
  - Order passed under Section 73(9) of the CGST Act [*Order-in-Original*]
  - Order passed under Section 107(11) of CGST Act [*Order-in-Appeal*] or Section 108(1) of CGST Act [*Revision Order*]
- The matters pertaining to erroneous refund will not be covered under this provision
- The benefit of this provision can be availed subject to payment of disputed tax and withdrawal of appeals/writ/application (within prescribed timeline)
- Appellate remedy against proceedings concluded under the said provision will not be available
- Refund of interest and penalty already paid will not be permitted
- Any additional amount arising as a result of departmental appeal will be payable within three months from the date of such appellate order

# Goods and Services Tax

## Pre-deposits and appeals

Proposed reduction in pre-deposits (CGST Act)	Proposed reduction in pre-deposits (IGST Act)	Time limit for filing appeal before the GSTAT (w.e.f. August 01, 2024)
<ul style="list-style-type: none"> <li>Reduction in the maximum pre-deposit payable while filing an appeal before Appellate Authority from twenty-five (25) crore to twenty (20) crore [Section 107(6)]</li> <li>Reduction in the maximum pre-deposit payable while filing an appeal before GSTAT from 20% to 10% with a maximum limit of twenty-five (25) crores instead of fifty (50) crores [Section 112(6)]</li> <li>Therefore, total pre-deposit required to be made for Appeals till GSTAT stand at 20% with monetary limit of Rs. 40 crores, instead of earlier 30% and Rs. 75 crores, respectively</li> </ul>	<p>Maximum amount of pre-deposit for filing appeals before Appellate Authorities or GSTAT capped at forty (40) crores instead of earlier fifty (50) crores and one hundred (100) crores respectively [Section 20 of IGST Act]</p>	<ul style="list-style-type: none"> <li>Appeal before the GSTAT to be filed within               <ul style="list-style-type: none"> <li>three months from the date of the order; or</li> <li>within a period proposed to be prescribed by the Government, whichever is later</li> </ul> </li> </ul>

# Goods and Services Tax

## Other changes

### **Amendments related to ITC (effective from July 01, 2017)**

- Sub-section 16(5) of the CGST Act proposed to be inserted to extend the time limit to claim ITC for the period F.Y. 2017-18 to F.Y. 2020-21 till November 30, 2021
- ITC will be available in cases where cancellation of registration has been revoked subject to prescribed conditions

### **Amendment to Section 70 of the CGST Act**

- Sub-section 1A proposed to be inserted to provide that the person summoned and/or the authorized representative will be bound to appear for summons before the concerned officer to make statements and/or produce documents, as may be required

### **Anti-Profitteering**

- Matters relating to anti profiteering proposed to be heard by the Principal Bench of the GSTAT [Sections 109 and 171]
- Government to specify a date post which the GSTAT will not accept any request with respect to anti profiteering

### **Time limit prescribed for compliance under RCM**

- Section 31 to be amended to prescribe time limit for issuance of self-invoice by recipient of supply where tax is payable under RCM
- Section 13(3) to be amended to determine time of supply for transactions covered under RCM to be earlier of,
  - Date of payment
  - 60 days from date of issuance of invoice by supplier, where invoice is required to be issued by supplier
  - date of issuance of invoice by the recipient where invoice is required to be issued by supplier



# Goods and Services Tax

## Other changes

### **Treatment of co-insurance and re-insurance premium**

- New entries proposed to be included in Schedule III of the CGST Act, to provide that the following activities will be treated as neither supply of services nor supply of goods:
  - Activity of apportionment of co-insurance premium by the lead insurer to the co-insurer for the insurance services jointly supplied by the lead insurer and the co-insurer to the insured under a coinsurance agreement, subject to payment of tax by lead insurer
  - Reinsurer services for which ceding commission or the reinsurance commission is deducted from reinsurance premium paid by the insurer to the reinsurer, provided that tax liability is discharged on the gross reinsurance premium inclusive of reinsurance commission or the ceding commission paid by the reinsurer

### **Insertion of Section 11A**

- Section 11A proposed to be inserted in the CGST Act to enable the authorities to accept the existing trade practices where tax is not levied or levied at a lower rate
- Similar provision to be inserted vide Section 6A of the IGST Act, Section 8A of the UTGST Act and Section 8A of the GST (Compensation to States) Act

### **Amendment in claiming refund of zero-rated supply of goods**

- No refund of unutilized ITC or IGST to be allowed in cases of zero-rated supply of goods where such goods are subjected to export duty

**Amendments proposed in the Finance Bill will come in effect from a date to be notified, unless specified otherwise**

# Customs

## Non-tariff

### ***Changes proposed from date of enactment of the Finance Bill***

- Section 65(1) of the Customs Act proposed to be amended to empower the Central Government to specify certain manufacturing and other operations in relation to a class of goods that would not be permitted in a warehouse set up and operating under the MOOWR Scheme.
- Given that new trade agreements executed between GoI and Government of foreign countries enable the exporters to declare origin of their goods and other requirements on self-certification basis, Section 28DA of the Customs Act is rationalized to accept different types of “proof of origin” (including in the form of declaration) instead of insisting for “certificate of origin”.
- Exemption granted from levy of compensation cess on goods imported by SEZ unit/ developer for authorized operations proposed to be in force retrospectively with effect from July 1, 2017.

### ***Changes proposed from July 24, 2024***

- Articles of foreign origin can be imported into India for repairs without payment of BCD and IGST, subject to their re-exportation within 6 months, extendable to 1 year. *Vide* the Finance Bill, time period for export in case of aircraft and vessels imported for maintenance, repair and overhauling increased from 6 months to 1 years, further extendable by 1 year.



# Customs Tariff

- Customs duty rates have been rationalized on goods relating to different sectors such as chemicals, textiles and leather, minerals, medical equipment, renewable energy etc.
- While BCD exemption extended on certain goods till March 31, 2026, there are certain other goods on which the exemption is extended upto March 31, 2029.
- Government seeks to withdraw duty exemption on wide range of products with effect from October 1, 2024.
- Duty rates reduced on import of precious metals such as gold and silver bars/ dores, coins, etc.
- Certain goods exempted from SWS such as parts for use in the manufacture of LED lights, copper/ cobalt/ tin ores and concentrates, etc.
- Export duty reduced on animal fur/ skins such as Raw fur skins, Tanned or crust hides of skins, Tanned or dressed furskin.
- Some of the key tariff changes are summarized in the ensuing slides.





# Customs Tariff

## Increase in BCD Rate

- Rate of BCD increased on, inter alia, the following goods:

Heading	Description of goods	Existing Rate (%)	Revised Rate (%)
9802	Laboratory Chemicals (Imported in packings upto 500gms or 500ml) [w.e.f. July 24, 2024 ]	10	150
3920, 3921	Poly vinyl chloride (PVC) flex films [w.e.f. July 24, 2024 ]	10	25
7007	Solar glass for manufacture of Solar Cells [w.e.f. October 01, 2024]	Nil	10
Ch. 74	Tinned copper interconnect for manufacture of solar cells/modules [w.e.f. October 01, 2024]	Nil	5

# Customs

## Tariff (contd.)

### Reduction in BCD Rate

- Reduction of BCD with effect from July 24, 2024, for goods, including the below:

Category - Heading	Description of goods	Existing Rate (%)	Revised Rate (%)
Chemicals/ Plastics - 3920 or 3921	All goods other than Poly vinyl chloride (PVC) flex films/flex banner	25	10 / 15
Textile and Leather - 0505 10	Real Down Filling Material from Duck or Goose for use in the manufacture of textile or leather garments for export	30	10
IT and Electronics - 8517	Cellular Mobile Phone/ Charger of Cellular Mobile Phone/ PCBA of Cellular Mobile Phone	20	15

# Customs

## Tariff (contd.)

### Nil Rate of BCD

- Nil rate of BCD with effect from July 24, 2024, for goods, including the below:

Category - Heading	Description of goods	Existing Rate (%)	Revised Rate (%)
Minerals - Chapter 26	Ores and concentrates of copper, cobalt, tin, tungsten etc	2.5	Nil
Minerals - 2804 61 00	Silicon, containing by weight not less than 99.99% of silicon	5	Nil
Textile and Leather - Chapter 41	Wet white, Crust and finished leather for manufacture of textile or leather garments, leather /synthetic footwear or other leather products, for export	10	Nil
Cancer Drugs - Chapter 30	(i) Trastuzumab Deruxtecan, (ii) Osimertinib, (iii) Durvalumab	10	Nil
Medical Equipment - Chapter 39	All types of polyethylene for use in manufacture of orthopaedic implants falling under sub-heading 9021 10	As Applicable	Nil
Renewable Energy - Chapter 84, 85 or any other chapter	Specified capital goods for use in manufacture of solar cells or solar modules, and parts for manufacture of such capital goods	7.5%	Nil



# Customs Tariff

## Revised duty rates on Precious Metals

Commodity	BCD		AIDC		SWS		Total Duty
	From	To	From	To	From	To	
Gold bars	10%	5%	5.00%	1%	Nil	Nil	6%
Gold Dore	10%	5%	4.35%	0.35%	Nil	Nil	5.35%
Platinum	10%	5%	5.40%	1.40%	Nil	Nil	6.40%
Silver Bars	10%	5%	5.00%	1%	Nil	Nil	6%
Silver Dore	10%	5%	4.35%	0.35%	Nil	Nil	5.35%

# Customs Tariff

## Extension of exemption from BCD for certain goods

- Exemption from BCD extended till March 31, 2026, for goods including the below:

Particulars
Gold ores and concentrates
Electrical energy supplied from SEZ/ SEZ unit to DTA
Specified goods used in manufacture of silicon wafers/ solar wafers, for manufacture of solar cell/ module
Goods for manufacture of ELISA Kits (used of medical purposes)
All parts for use in the manufacture of LED lights
Specified items including capital goods/ raw materials for off shore exploration
Machinery/ electrical equipment for use in marking and packaging of semiconductor chips
Specified goods for the manufacture of semiconductor devices, memory card, IC, solar cell

Particulars
Specified goods used in manufacture of leather/ synthetic footwear/ other leather products for exports
New/ retreated Pneumatic tyres of rubber for use in servicing/ repair/ maintenance of aircrafts
Goods imported for manufacture of paper/ paper boards/ newsprint
Parts for manufacture of catalytic convertor
Components or parts, including engines, of aircraft of heading 8802
Parts (other than rubber tubes), of aircraft of heading 8802
Parts (other than rubber tubes), of aircraft of heading 8802

# Customs Tariff

Extension of exemption from BCD till March 31, 2026 (contd.)

Particulars
Parts and components for manufacture of tunnel boring machines
Parts and Components of Digital Still Image Video Cameras
Inputs, parts or sub-parts for use in the manufacturing of Printed Circuit Board Assembly
Raw materials for manufacture of aircraft and parts of aircraft
Specified goods for manufacture of LCD/ LED TV Panel

Particulars
Cruise ships, Excursion ships
X-Ray Baggage Inspection Systems and parts thereof
Portable X-ray machine / system
Machinery/components for initial setting up of non conventional power generation plants
Precious stones imported by posts on approval or return basis
Goods imported for execution of an export order for jobbing



# Customs Tariff

Exemption from BCD extended till March 31, 2029, for goods including the below:

Particulars
Drugs and material, falling under Chapter 30 or any other Chapter
Capital goods, raw materials and spares for repairs of ocean-going vessels
Lifesaving medical equipment for personal use
Lifesaving drugs/medicines for personal use
Specified raw material for sports goods
Goods supplied freely under warranty as replacement for defective ones in lieu of earlier imported goods

Particulars
Scientific and technical instruments, apparatus, equipment, accessories etc. when imported by publicly funded research institution
Capital goods/machinery/ measuring instruments for manufacture of semiconductor wafers
Capital goods/machinery used by the IT/Electronics industry, subject to actual user condition
Specified raw materials, inputs and parts for use in manufacture of specified electronic items

# Customs Tariff

## Exemption from SWS extended on additional list of goods

- Exemption from SWS extended on additional list of goods including the below:

Particulars
Quartz (other than natural sands); quartzite
Copper ores and concentrates
Cobalt ores and concentrates
Tin ores and concentrates
Goods for manufacture of ELISA Kits
All parts for use in the manufacture of LED lights

Particulars
Silicon, containing by weight not less than 99.99% of silicon
Silicon dioxide
Potassium hydroxide
Chlorides of Nickel
Lithium carbonates

# Customs Tariff

## Cessation of exemptions/ concessions

- Exemption from BCD expiring w.e.f September 30, 2024, on goods including the below:

Particulars
Catalyst and Resin for manufacture of cast components of Wind Operated Electricity Generator
Standard gold bars imported by RBI/ authorised bank
Solar tempered glass or solar tempered (anti-reflective coated) glass for use in manufacture of solar cells/panels/modules
Active Energy Controller for use in manufacture of Renewable Power System inverters

Particulars
Second-hand computers/accessories and peripherals received as donation by schools, charitable institutions
Batteries for electrically operated vehicles
Specified goods including scramblers, descramblers, encoders, decoders, jammers, network firewalls, network sniffers, scanners and monitoring systems, probes for data monitoring and SMS/MMS monitoring systems



# Central Excise

## **Amendment to condition for Mega Power Plant related exemption**

- The time period for submission of final Mega Power Project Certificate and security in the form of Fixed Deposit Receipt/ Bank Guarantee as required under Condition No. 43, subject to which machinery supplied for Mega Power Plant are exempted from excise duty is extended from 120 months to 156 months and 126 months to 162 months respectively with retrospective effect from June 29, 2017 [*Amendment to notification no. 12/2012-Central Excise dated March 17, 2012*]

## **Exemption from Clean Environment Cess**

- Clean Environment Cess levied and collected as a duty of excise, is being exempted (with retrospective effect from June 30, 2017), on excisable goods lying in stock as on June 30, 2017 subject to payment of appropriate GST Compensation Cess on supply of such goods on or after July 01, 2017 [*Amendment to notification no. 12/2017-Central Excise dated June 30, 2017*]

***The above amendments will come in effect from the date of enactment of the Finance (No. 2) Bill, 2024.***



# Abbreviations

<b>AIDC</b>	Agriculture Infrastructure and Development Cess
<b>BCD</b>	Basic customs duty
<b>CGST Act</b>	Central Goods and Services tax Act, 2017
<b>Customs Act</b>	Customs Act, 1962
<b>DTA</b>	Domestic Tariff Area
<b>F.Y.</b>	Financial Year
<b>GST (Compensation to States) Act</b>	Goods and Services Tax (Compensation to States) Act, 2017
<b>GST Law</b>	Central Goods and Services Tax Act, 2017; Integrated Goods and Services Tax Act, 2017; Union Territory Goods and Services Tax Act, 2017; State Goods and Services Tax Act of relevant states; and Goods and Services Tax (Compensation To States) Act, 2017
<b>GSTAT</b>	Goods and Services Tax Appellate Tribunal
<b>GoI</b>	Government of India
<b>IGST Act</b>	Integrated Goods and Services Tax Act, 2017
<b>ITC</b>	Input tax credit
<b>MOOWR</b>	Manufacture and Other Operations in Warehouse Regulations (No. 2), 2019
<b>RBI</b>	Reserve Bank of India
<b>RCM</b>	Reverse charge mechanism
<b>SWS</b>	Social Welfare Surcharge
<b>SEZ</b>	Special Economic Zone
<b>UTGST Act</b>	Union Territory Goods and Services Tax Act, 2017

# Tax Practice

JSA offers a broad range of tax services, both direct and indirect, in which it combines insight and innovation with industry knowledge to help businesses remain compliant as well as competitive. The Tax practice offers the entire range of services to multinationals, domestic corporations, and individuals in designing, implementing and defending their overall tax strategy. Direct Tax services include (a) structuring of foreign investment in India, grant of stock options to employees, structuring of domestic and cross-border transactions, advising on off-shore structures for India focused funds and advise on contentious tax issues under domestic tax laws such as succession planning for individuals and family settlements, (b) review of transfer pricing issues in intra-group services and various agreements, risk assessment and mitigation of exposure in existing structures and compliances and review of Advance Pricing Agreements and (c) litigation and representation support before the concerned authorities and before the Income Tax Appellate Tribunal, various High Courts and Supreme Court of India. Under the Indirect Tax, JSA provides services such as (a) advisory services under the Goods and Services Tax laws and other indirect taxes laws (VAT/ CST/ Excise duty etc.), and includes review of the business model and supply chain, providing tax implications on various transactions, determination of tax benefits/exemptions, analysis of applicability of schemes under the Foreign Trade Policy (b) transaction support such as tax diligence (c) assistance in tax proceedings and investigations and (d) litigation and representation support before the concerned authorities, the Appellate Tribunals, various High Courts and Supreme Court of India. The team has the experience in handling multitude of assignments in the manufacturing, pharma, FMCG, e-commerce, banking, construction & engineering, and various other sectors and have dealt with issues pertaining to valuation, GST implementation, technology, processes and related functions, litigation, GST, DRI investigations etc. for large corporates.

This Prism has been prepared by:



**Manish  
Mishra**

Partner & Head of  
Practice - Indirect Tax



**Kumarmangalam  
Vijay**

Partner & Head of  
Practice - Direct Tax



**Shareen  
Gupta**

Partner



**Surajkumar  
Shetty**

Partner

For more details, please contact [km@jsalaw.com](mailto:km@jsalaw.com)



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Top 10 Best Law Firms for  
Women in 2022



14 Practices and  
38 Ranked Lawyers



Employer of Choice 2024

Energy and Resources Law Firm  
of the Year 2024

Litigation Law Firm  
of the Year 2024

Innovative Technologies Law  
Firm of the Year 2023

Banking & Financial Services  
Law Firm of the Year 2022



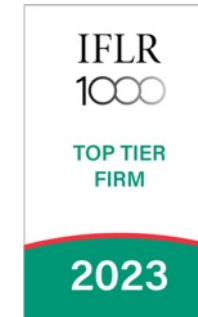
19 Practices and  
19 Ranked Lawyers



Among Top 7 Best Overall  
Law Firms in India and  
11 Ranked Practices

11 winning Deals in  
IBLJ Deals of the Year

12 A List Lawyers in  
IBLJ Top 100 Lawyer List



12 Practices and  
42 Ranked Partners  
**IFLR1000 APAC**  
**Rankings 2023**

Banking & Finance Team  
of the Year

Fintech Team of the Year

Restructuring & Insolvency  
Team of the Year



Recognised in World's  
100 best competition  
practices of 2024



7 Ranked Practices,  
16 Ranked Lawyers

Elite - Band 1 -  
Corporate/ M&A Practice

3 Band 1 Practices

4 Band 1 Lawyers, 1 Eminent  
Practitioner



7 Practices and  
3 Ranked Lawyers



Ahmedabad | Bengaluru | Chennai | Gurugram | Hyderabad | Mumbai | New Delhi

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