

NYCA's

# The ReCap

A news to clear your doubts

A Monthly E-Newsletter

July 2024 / Vol 15



For use by clients and firm personnel only

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## KEY METRICS



### Indices

BSE SENSEX	79,033	06.85%	
NSE NIFTY50	24,011	06.56%	
NASDAQ Composite	17,733	05.96%	

### Currency

USD/INR	83.36	0.08%	
EURO/INR	89.30	1.32%	
GBP/INR	105.45	0.79%	



Note: The month-on-month movement as on June 30, 2024 is represented in percentages Source: Yahoo Finance, Investing.com

# COMPLIANCE ALERT

## July, 2024

### 7th July - Income Tax

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

### 10th July - GST

GSTR-7 : Summary of Tax Deducted at Source (TDS) and deposited under GST laws for the month of June, 24

### 11th July - GST

GSTR-1 : Summary of outward supplies where turnover exceeds Rs.5 crore or have not chosen the QRMP scheme for the quarter of Apr - Jun, 24

### 13th July - GST

GSTR- 5 : Summary of outward taxable supplies and tax payable by a non-resident taxable person

### 13th July - GST

GSTR-6 : GSTR 6 is a monthly return for Input Service Distributors (ISD) to provide the details of their inward supplies & distributed Input Tax Credit (ITC).

### 15th July - ESIC & PF

PF deducted from the Employees salary in the month of June, 24, needs to be paid on or before 15th of July, 2024 The payment of ESIC is made by every employer to the ESIC department on a monthly basis. The due date for ESIC is 15th July, 24

### 15th July - Income Tax

Upload the declarations received from recipients in Form No. 15G/15H during the quarter ending June, 2024

### 15th July - Income Tax

Due date for furnishing statement in Form no. 3BB by a stock exchange in respect of transactions in which client codes been modified after registering in the system for the month of June, 2024

### 20th July - GST

GSTR- 3B : Summary of outward supplies, ITC claimed, and net tax payable for taxpayers with turnover more than Rs.5 crore in the last FY or have not chosen the QRMP scheme for the quarter of Apr - Jun, 24

### 20th July - GST

GSTR- 5A : Summary of outward taxable supplies and tax payable by a person supplying OIDAR services

### 31th July - Income Tax

TDS Return : Quarterly statement of TDS deposited for the quarter ending June 30, 2024

### 31th July - Income Tax

ITR Filing : Return of income for the assessment year 2024-25 for all assessee other than : (a) corporate-assessee or (b) non-corporate assessee (whose books of account are required to be audited) or (c) partner of a firm whose accounts are required to be audited or the spouse of such partner if the provisions of section 5A applies or (d) an assessee who is required to furnish a report under section 92E.



# रथ यात्रा

# Direct Tax

## Notifications/Circulars

### **CBDT amends Form 27Q; added 'Note 7A' for furnishing information about lower or no TDS under section 197A**

The Central Government has notified the Income-tax (Sixth Amendment) Rules, 2024. As per the amended norms, an additional note has been inserted in Form No. 27Q. The additional note pertains to the verification section of the form. Taxpayers are now required to write "P" if lower deduction or no deduction is in view of the notification issued u/s 197A(1F).

[NOTIFICATION NO. G.S.R. 309\(E\) \[NO. 48/2024/F.NO. 370142/11/2024-TPL\]](#)

### **CBDT allows e-filing for Forms 3CN, 3CS, 3CEC, 3CEFB, 59 and 59A**

The Central Board of Direct Taxes (CBDT) specified the e-filing of 6 forms under rule 131 of the Income Tax Rules, 1962. These include forms for making applications under section 35AD, pre-filing meetings, Opting for Safe Harbour in respect of Specified Domestic Transactions, etc., namely, Form 3CN, 3CS, 3CEC, 3CEFB, 59, and 59A.

[NOTIFICATION NO. 01/12024-25](#)

### **CBDT directs officers to accept delayed payment of taxes under Vivad se Vishwas Act if it was made by Feb 28, 2022**

The CBDT has directed that the delayed payment of requisite taxes under the Direct Tax Vivad se Vishwas Act, 2020 may be accepted in the cases fulfilling the

following conditions - (a) The assessee has made full payment of taxes (including amount payable after due date as prescribed in Form-3) on or before 28.02.2022 and (b) Appeal mentioned in Form-1 has either been withdrawn or has not been decided as on date of full payment of taxes.

[ORDER FNO. 173/03/2021-ITA-I](#)



### **Govt. keeps interest rates of small savings schemes unchanged for 2nd quarter of FY 2024-25**

The Ministry of Finance has announced the small savings scheme rates for the second quarter of FY 2024-25. The interest rates for different small savings schemes during the second quarter of the Financial Year 2024-25, effective from July 1, 2024, to September 30, 2024, will remain unchanged from those set in the first quarter of FY 2024-25.

[NOTIFICATION NO.1/4/2019-NS](#)

### **CBDT notifies 'Kerala Co-operative Deposit Guarantee Fund Board' for Sec. 10(46) exemption**

The Central Board of Direct Taxes (CBDT) has notified 'Kerala Co-operative Deposit Guarantee Fund Board' for the purposes of clause (46) of section 10 of the Income-tax Act, 1961. The notification is applicable for assessment years 2019-20 to 2023-24 subject to certain conditions.

[NOTIFICATION S.O. 2242\(E\) \[NO. 51/2024/F. NO. 300196/43/2018-ITA-I\]](#)

### **Direct Tax collections for the FY 2024-25 register a growth of 20.99% compared to the preceding FY: CBDT**

The provisional figures of Direct Tax collections for the Financial Year 2024-25 (as of 17.06.2024) show that Net collections are at Rs. 4,62,664 crore, compared to Rs. 3,82,414 crore in the corresponding period of the preceding Financial Year (i.e. FY 2023-24), representing an increase of 20.99%.

[PRESS RELEASE](#)





## Judicial Rulings

**Time limit for claiming ITC to be treated as 30th November in each financial year w.e.f 01.07.2017: Kerala HC**

Time limit for furnishing return for month of September is to be treated as 30th November in each financial year with effect from 1-7-2017; assessee who had filed their returns for month of September on or before 30th November, their claim for ITC should be processed, if they are otherwise eligible for ITC

[\[2024\] 163 taxmann.com 218 \(Kerala\)\[04-06-2024\]](#)

**HC set aside refund rejection order as proper reasons were not assigned for conclusion that there was no excess payment**

Where assessee's refund claim for double payment of tax was rejected by revenue without providing reasons and while a conclusion was drawn by revenue that there was no excess payment, assessee's reply in such regard, wherein specific details were set out, was not engaged with and proper reasons were not assigned for conclusion that there was no excess payment.

[\[2024\] 163 taxmann.com 476 \(Madras\) \[11-06-2024\]](#)

**HC remanded matter to re-determine consignment value & ascertain whether job worker was required to generate e-way bill**

The authorities detained the assessee's vehicle for not having an e-way bill during the transport of goods, despite the value of the

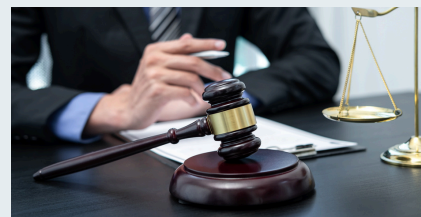
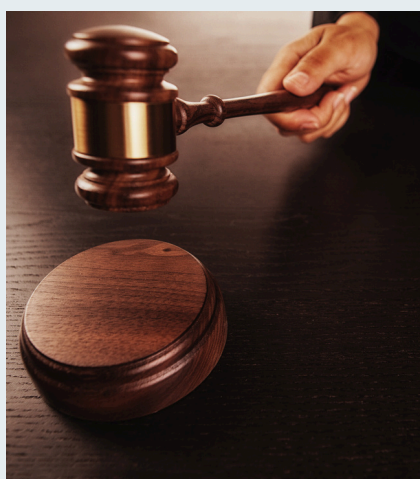
consignment being below Rs. 50,000, which, according to Rule 138, exempts the requirement. The assessee argued that the consignment value determination should follow Section 15's transaction value principle, which both the officer and appellate authority allegedly failed to properly consider.

[\[2024\] 163 taxmann.com 568 \(Calcutta\) \[13-06-2024\]](#)

**HC set aside order with direction to proper officer to provide another opportunity to assessee to contest tax demand on merits**

The petitioner was unaware of the proceedings that led to the tax proposal concerning discrepancies between their GSTR-3B returns and the auto-populated GSTR-2A. The notice and subsequent order were uploaded in the "View Additional Notices and Orders" section on the GST portal without being communicated through any other means to the petitioner. As a result, the petitioner should have been given an opportunity to challenge the tax demand based on its merits.

[\[2024\] 163 taxmann.com 319 \(Madras\) \[10-06-2024\]](#)



**Matter to be remanded for reconsideration since tax liability was computed on best judgement basis without hearing assessee: HC**

The tax liability was assessed against the assessee using best judgment from auto-populated GSTR-2A, without allowing the assessee a personal hearing. It was deemed necessary for fairness that the assessee be given an opportunity to contest the tax proposal on its merits. Consequently, the tax demands were revoked, and the case was sent back for reconsideration.

[\[2024\] 163 taxmann.com 469 \(Madras\) \[10-06-2024\]](#)

**Penalty under Section 74 was inappropriate since fraud or misstatement wasn't proven by revenue: HC**

Assessee, who transitioned input tax credit under GST, received a show-cause notice and confirmed penalties for wrongful ITC availment, but since fraud or misstatement wasn't proven by revenue and credit was reversed post-notice, penalties under Section 74 were deemed inappropriate, thus, a token penalty of Rs.10,000/- was to be imposed on assessee instead of higher penalty initially levied.

[\[2024\] 163 taxmann.com 509 \(Madras\) \[11-06-2024\]](#)

# Indirect Tax

## Notifications/Case Laws

### Clarification on time of supply of services of spectrum usage and other similar services under GST: Circular

The CBIC has clarified that in case where full upfront payment is made by the telecom operator, GST would be payable when the payment of the said upfront amount is made or is due, whichever is earlier. However, in cases where deferred payment is made by the telecom operator in specified installments, GST would be payable as and when the payments are due or made, whichever is earlier.

[CIRCULAR NO.-222/16/2024-GST](#)

### Clarification issued in respect of GST liability and ITC availability in cases involving Warranty/ Extended Warranty

The CBIC has issued a new circular to provide clarification regarding GST liability and availability of input tax credit (ITC) in respect of cases where goods as such or the parts are replaced under warranty; cases where distributor replaces the parts/ goods out of his own stock etc.

[CIRCULAR NO. 216/10/2024-GST](#)

### CBIC issued circular clarifying taxability of supply of salvage/ wreckage by general insurance companies

The CBIC has clarified that in cases where general insurance companies are deducting the value

of salvage as deductibles from the claim amount, the salvage remains the property of insured and insurance companies are not liable to discharge GST liability on the same. However, in cases, where the insurance claim is settled on full claim amount, without deduction of value of salvage/ wreckage, the insurance company will be obligated to discharge GST on supply of salvage to the salvage buyer.

[CIRCULAR NO.-215/9/2024-GST](#)

### CBIC issued clarification on time of supply of services of construction of road and maintenance under HAM (Hybrid Annuity Mode) Model

The CBIC has issued clarification regarding the time of supply in respect of supply of services of construction of road and maintenance thereof of National Highway Projects in Hybrid Annuity Mode (HAM) model, where certain portion of Bid Project Cost is received during construction period and remaining payment is received through deferred payment (annuity) spread over years.

[CIRCULAR NO.-221/15/2024-GST](#)

### No requirement of ITC reversal on Life Insurance premium not included in value as per Rule 32(4): Circular

The CBIC has clarified that the amount of the premium for taxable life insurance policies, which is not included in the taxable value as determined under rule 32(4) of CGST Rules, cannot be considered as pertaining to a non-taxable or exempt supply and therefore, there is no requirement of reversal of input tax credit.

[CIRCULAR NO.-214/8/2024-GST](#)

### CBIC issued clarification on POS for supply of goods to an unregistered person where delivery address is different from billing address

The CBIC has clarified that in case of supply of goods to an unregistered person, where the address of delivery of goods recorded on the invoice is different from the billing address of the said unregistered person on the invoice, the place of supply of goods shall be address of delivery of goods recorded on the invoice.

[CIRCULAR NO.209/3/2024-GST](#)



## 53rd GST Council Meeting



Recommendation	Details
Waiver of Interest and Penalty on Demand Notices	Waived for cases under Section 73 for FY 2017-18 to 2019-20 if full tax paid by March 2025.
Extended Time Limit for ITC	Extended for FY up to March 2021; invoices filed by Nov 30, 2021, eligible.
Monetary Thresholds for Departmental Appeals	₹20 lakh for Tribunals, ₹1 crore for High Courts, ₹2 crore for Supreme Court.
Reduced Pre-deposit for Appeals	Reduced from ₹25 crore to ₹20 crore for Appellate Authority for CGST and SGST.
Pre-deposit for Appeals Before Tribunals	Reduced to 20% with a cap of ₹20 crore for CGST and SGST.
Amendment for Appeal Filing Timeline	Timeline to be specified by government amendment.
Extended Deadline for Filing GSTR-4	Extended to June 30, benefiting composition scheme taxpayers.
No Interest on Cash Ledger Balance	No interest charged on GSTR-3B cash ledger balance.
New Form GSTR-1A for Corrections	Introduced for correcting GSTR-1 before GSTR-3B filing.
Biometric-based Aadhaar Authentication	To be implemented nationally in phases for enhanced security.
Clarifications on Various Issues	Includes 12% tax rate clarification for certain items.



## Judicial Rulings

### HC stayed coercive recovery as assessee was compelled to deposit tax amount during search

Where during course of search assessee was compelled to deposit amount along with undertaking that amount being deposited as voluntary deposit, matter already pending before Court for consideration in another case, was to be heard with said case, no coercive recovery was to be made by respondents-authorities from assessee

*[2024] 163 taxmann.com 610 (Gujarat)*  
*[10-06-2024]*

### Order passed without considering explanation of assessee against SCN alleging liability & ITC mismatch to be set aside: HC

Where show cause notice alleging mismatch between GSTR 3B returns and GSTR 1 statement as well as between GSTR 3B returns and auto-populated GSTR 2A issued, assessee replied explaining discrepancy and relevant documents, explanation and documents not taken into consideration before issuing impugned order, impugned order bereft of reasons was to be set aside.

*[2024] 163 taxmann.com 486 (Madras)*  
*[03-06-2024]*

### Gujarat HC admitted petition challenging vires of provisions of section 16(2)(c) of CGST Act; notice issued

Where assessee challenged vires of provisions of section 16(2)(c) of CGST Act as; purchaser of goods for seeking entitlement for Input

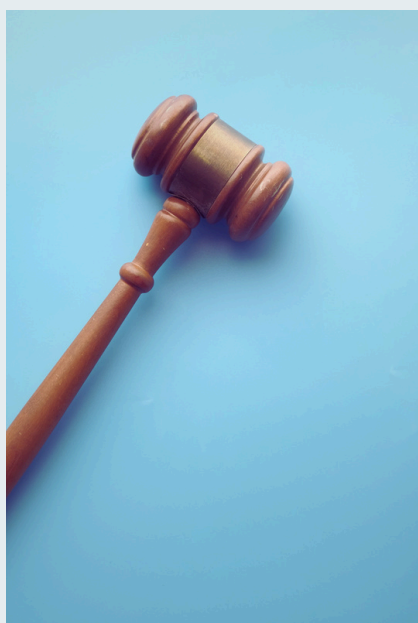
Tax Credit was imposed with discharging burden that seller was registered under CGST Act and that he actually paid tax on goods supplied by him; in respect of such supply seller actually paid GST for which Input Tax Credit was admissible.

*[2024] 163 taxmann.com 611 (Gujarat)*  
*[10-06-2024]*

### Petition against assessment order not signed digitally to be dismissed as alternate remedy of appeal available: HC

Where assessee impugned orders being not digitally signed by authorities, prior to said orders authorities did not issue preliminary/consultative notice, assessee not aware of impugned orders as it were loaded on a new portal of which assessee, assessee did not dispute that it had right to assail impugned orders in appeal, petition was to be dismissed as alternate remedy of appeal available.

*[2024] 163 taxmann.com 521 (Allahabad)*  
*[07-06-2024]*



### Reversal of ITC justified if reasons were set out for denying ITC; HC directed to avail statutory remedy

Where assessee/petitioner contended it had submitted all documents to justify input tax credit availed on purchases from supplier, but revenue denied credit on ground that supplier had not filed returns and paid taxes, High Court dismissed writ petition challenging order, holding assessee/petitioner can avail statutory remedy as order is appealable.

*[2024] 163 taxmann.com 550 (Madras)*  
*[04-06-2024]*



### Matter to be remanded for reconsideration since order was passed without providing any opportunity of hearing to assessee: HC

Where petitioner-assessee did not respond to show cause notice or participate in personal hearing and order demanding outstanding tax against petitioner-assessee issued by respondent-department was passed without providing any opportunity of hearing to petitioner-assessee, therefore, for interests of justice, impugned order was to be set aside and matter was to be remanded for reconsideration by respondent-department

*[2024] 163 taxmann.com 512 (Madras)*  
*[03-06-2024]*

# Corporate & Allied Laws

## Notifications / Circulars

**SEBI redefines 'Large Corporates' (LCs); relaxes borrowing norms for LCs through issuance of debt securities**

SEBI has relaxed borrowing norms for large corporates (LCs) through issuance of debt securities. Now, an entity with outstanding long-term borrowings of Rs 1000 crore or above would be classified as LC. Also, SEBI has introduced incentives for LCs in case of surplus in requisite borrowings and moderated disincentives if they fail to meet at least 25% of their incremental borrowings. Earlier, LCs were defined as those with outstanding long-term borrowings of at least Rs 100 crore or above.

*CIRCULAR NO. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/172*

**Market Regulator mandates brokers to inform most important terms and conditions to clients**

SEBI (Security and Exchange Board of India) with an objective to bring into focus the critical aspects of the broker-client relationship and for ease of understanding of the clients mandates brokers to inform a standard Most Important Terms and Conditions (MITC) to the clients. Further, this MITC shall be acknowledged by the client. Further, the detailed norms for implementation of MITC shall be published latest by Jan 01, 2024, by the Brokers' Industry Standards Forum (ISF) in consultation with SEBI.

*CIRCULAR NO. SEBI/HO/MIRSD/MIRSD-POD-1/P/CIR/2023/180*

**SEBI mandates all non-individual FPIs to provide Legal Entity Identifier (LEI) details to designated DPs**

SEBI (Security and Exchange Board of India) has mandated the requirement of providing Legal Entity Identifier (LEI) details for all non-individual FPIs. Currently, FPIs are required to provide their LEI details in the Common Application Form (CAF), used for registration, KYC and account opening of FPIs on a voluntary basis. Further, all existing FPIs that haven't provided their LEIs to their DDPs must do so within 180 days from the date of issuance of this circular. This circular shall be effective immediately.

*CIRCULAR NO. SEBI/HO/AFD/AFD-POD-2/CIR/P/2023/0127*

**SEBI revises disclosure format of Abridged Prospectus for public issues of Non-Convertible Debt Securities**

SEBI (Security and Exchange Board of India) has revised the format of the abridged prospectus for public issues of non-convertible debt securities wherein critical information will be provided on the front page of the offer document. The format has been revised to further simplify and provide greater clarity and consistency in the disclosures across various documents. The new format will be applicable for all public issues opening on or after October 1, 2023.

*CIRCULAR NO. SEBI/HO/DDHS/POD1/CIR/P/2023/150*

**SEBI mandates stock brokers to undertake a minimum 10% of secondary market trades via 'Request for Quote' platform**

SEBI has issued norms for transactions in corporate bonds through 'Request for Quote' (RFQ) platform by stock brokers in order to increase liquidity on RFQ platform of stock exchanges. As per the norms, stock brokers must undertake at least 10% of their total secondary market trades by value through RFQ platforms. This will be increased to at least 25% of their secondary market trades by April 2024. RFQ platform is a direct participation model where all participants trade in their own accounts.

*CIRCULAR NO. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/83*

**SEBI redefines the applicability of LODR norms; specifies period for calculating average market capitalization**

SEBI has notified the SEBI (LODR) (Amendment) Regulations, 2024, introducing changes to Regulation 2. The amended regulation redefines the applicability criteria and specifies a defined period for calculating average market capitalisation. According to the new regulation, every recognised stock exchange must prepare a list of entities with listed specified securities, ranking them based on average market capitalisation from July 1 to December 31 of that calendar year.

*NOTIF. NO. SEBI/LAD-NRO/GN/2024/177*



# Policies & Schemes

## Credit Linked Capital Subsidy Scheme for Technology Upgradation (CLCSS)

### Introduction

The objective of the Scheme is to facilitate technology up-gradation in MSEs by providing an upfront capital subsidy of 15 per cent (on institutional finance of upto Rs 1 crore availed by them) for induction of well-established and improved technology in the specified 51 sub-sectors/products approved. In other words the major objective is to upgrade their plant & machinery with state-of-the-art technology, with or without expansion and also for new MSEs which have set up their facilities with appropriate eligible and proven technology duly approved under scheme guidelines.

Access the List of approved 51 Sectors | Sub-sectors under Credit Linked Capital Subsidy (CLCS) [here](#).

### Nature of Assistance:

The revised scheme aims at facilitating technology up-gradation by providing 15% up front capital subsidy to MSEs, including tiny, khadi, village and coir industrial units, on institutional finance availed by them for induction of well established and improved technologies in specified sub-sectors/products approved under the scheme.



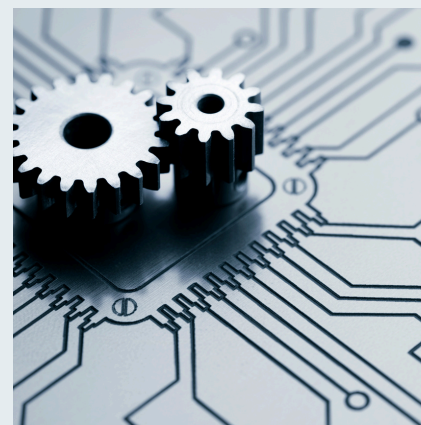
### How to Apply?

- ChatGPT Online Application and Tracking System introduced from 01.10.2013.
- MSEs eligible for CLCSS subsidy must apply online through PLIs.
- PLIs upload completed applications to Nodal Agency.
- Nodal Agency recommends applications to Office of DC (MSME) for subsidy release.
- Upon approval and fund availability, funds released to Nodal Agencies.
- Nodal Agencies transfer funds to PLIs operating MSE accounts.



### Key Features:

- IDLS Scheme offers investment grants for modernization, tech upgrade, and capacity expansion in the leather industry.
- Implemented through multiple agencies.
- Financial assistance is provided at 30% for SSI units and 20% for Non-SSI units, capped at Rs. 200 lakh (20% for units exceeding Rs. 50 lakh assistance).



- DIPP (Department for Promotion of Industry and Internal Trade) decision: Assistance approved for tanneries nationwide, contingent upon compliance certification from State Department of Industries or Pollution Control Board regarding wastewater management.

### Who can be benefitted from this scheme?

Micro and Small Enterprises (MSEs) having a valid UAM number.

### Eligibility:

- Eligible: Existing units in leather industries, including tanneries, leather goods, saddlery, footwear (leather/non-leather), and footwear components.
- Criteria: Cash profits for two years.
- Programmes: Viable and bankable technology upgradation initiatives.
- Timeframe: Undertaken on or after January 1, 2016.

# Professionals Desk

## ROLE OF CA IN FORENSIC DEVELOPMENT

### Introduction:

The role of Chartered Accountants (CAs) in forensic development is multifaceted and crucial in maintaining integrity and transparency in financial matters. Here's how CAs contribute to forensic development

### Fraud Detection and Investigation

CAs are trained to analyze financial records and transactions meticulously. They play a significant role in detecting discrepancies, irregularities, and potential fraud within an organization. Their expertise in forensic accounting techniques helps in uncovering fraudulent activities and providing evidence for legal proceedings.

### Financial Due Diligence

In cases of mergers, acquisitions, or investments, CAs conduct financial due diligence to assess the financial health and integrity of the entities involved. This process involves thorough examination and analysis of financial statements, identifying risks, and uncovering any potential irregularities or fraudulent activities.

### Litigation Support

CAs provide expert opinions and testimony in legal proceedings related to financial matters. They assist legal teams by analyzing financial data, preparing financial reports, and providing expert witness testimony to support litigation cases involving fraud, embezzlement, or other financial crimes.

### Compliance and Regulatory Requirements

CAs ensure that organizations comply with relevant laws, regulations, and accounting standards. They help in implementing internal controls, policies, and procedures to prevent fraud and ensure transparency in financial reporting. CAs also assist in investigations related to regulatory compliance and provide guidance on remediation measures.

### Preventive Measures

Chartered Accountants not only investigate financial crimes but also help organizations implement preventive measures to mitigate the risk of fraud. They conduct risk assessments, design internal control systems, and provide training to employees on fraud awareness and detection.

### Asset Tracing and Recovery

In cases of financial fraud or embezzlement, Chartered Accountants play a crucial role in tracing and recovering misappropriated assets. They use forensic accounting techniques to track funds, identify hidden assets, and assist in the legal process of recovering stolen or misappropriated funds.

### Conclusion:

Overall, Chartered Accountants play a vital role in forensic development by leveraging their expertise in accounting, auditing, and financial analysis to investigate, detect, and prevent financial fraud and misconduct. Their contributions are essential in maintaining trust, integrity, and accountability in the financial sector.





# CFO's Eye

## SEBI proposes to introduce 'Product Success Framework (PSF) for stock derivatives'

Currently, the 'Product Success Framework' applies exclusively to index derivatives, ensuring they meet requirements like turnover, open interest, and broad participation. SEBI is now proposing to introduce new exit criteria for single stock derivatives, which will be based on the performance of these derivative contracts. The proposal includes eligibility criteria for stocks to enter or exit the derivatives segment, along with specified ranges for each criterion.

## SEBI proposes measures to facilitate ease of doing business under LODR and ICDR norms

SEBI has released a Consultation Paper to facilitate ease of business under LODR and ICDR Norms. The objective is to seek comments from the public on the expert committee's recommendation w.r.t ease of doing business under these norms. The expert committee's report is divided into three parts. The first and second parts deal with recommendations for ease of doing business under LODR and ICDR norms. The third part deals with harmonisation of provisions of ICDR and LODR norms.

## SEBI releases a Consultation Paper on 'Disclosure of Risk-Adjusted Return by Mutual Funds'

SEBI has released a Consultation Paper on 'Disclosure of Risk-Adjusted Return (RAR) by Mutual Funds'. The objective is to seek public comments on the proposal w.r.t disclosure of the Risk-Adjusted Return of an MF scheme portfolio, thereby enabling investors to make informed investment decisions. SEBI has proposed a methodology for calculating the Information Ratio (IR) for different categories of MF schemes. An IR is an established financial ratio to measure the RAR of the scheme portfolio.

## SEBI releases frequently asked questions (FAQs) on 'Small and Medium REITs'

SEBI has released frequently asked questions (FAQs) on 'Small and Medium REITs' (SM REITs). These FAQs provide a simplified explanation/clarification of terms and concepts related to the SEBI (Real Estate Investment Trusts) Regulations, 2014. Some of the FAQs include (a) the basic difference between the framework for an SM REIT and the existing REITs, (b) whether a real estate developer launch its own SM REIT, and (c) if multiple Special Purpose Vehicles (SPVs) jointly own a single property.



## MCA to launch third set of company forms including Form MSME, BEN-2, MGT-6, IEPF-1, IEPF-1A on 15.07.2024 on V3 Portal

The MCA is launching third set of Company Forms covering form MSME, BEN-2, MGT-6, IEPF-1, IEPF-1A, IEPF-2, IEPF-4, IEPF-5, and IEPF-5 e-verification report on 15.07.2024 at 12:00 AM. To facilitate implementation of these forms on V3 portal, MCA has decided to disable V3 portal from 13.07.2024 12:00 AM to 14.07.2024 11:59 pm. Further, MCA advised stakeholders to ensure that there are no pending SRNs in payment/pending for investor details upload/Resubmission status.





# Systems & forensics

## How to Build Digital Trust in AI With a Robust AI Governance Framework

The latest trends in AI risk highlight concerns such as biased decision-making, data privacy breaches, and algorithmic bias. Unregulated AI practices have led to discriminatory outcomes in recruitment and exposure of personal data. A proposed AI governance framework aims to address these challenges, focusing on principles like fairness, accountability, and transparency.

Key principles of AI include fairness, accountability, transparency, controllability, and robustness/security. These principles guide the development of policies and technologies to ensure responsible AI usage. A responsible AI policy helps organizations identify and mitigate risks, while diverse teams ensure a holistic approach to AI development.

Impact assessments and automated evaluations are essential to ensure ongoing compliance with AI principles. Security measures, such as testing against adversarial inputs, and privacy-enhancing technologies, like homomorphic encryption, are crucial for safeguarding AI systems. Responding to data subject requests and managing the AI product lifecycle are also important aspects of AI governance. Overall, embracing AI governance enables organizations to mitigate risk, foster digital trust, comply with regulations, and harness the transformative potential of AI responsibly. It's crucial for enterprises to prioritize the development and implementation of AI governance frameworks to navigate the complexities of AI risk effectively.

[ISACA Journal](#)

## A Bad Return on Your Money

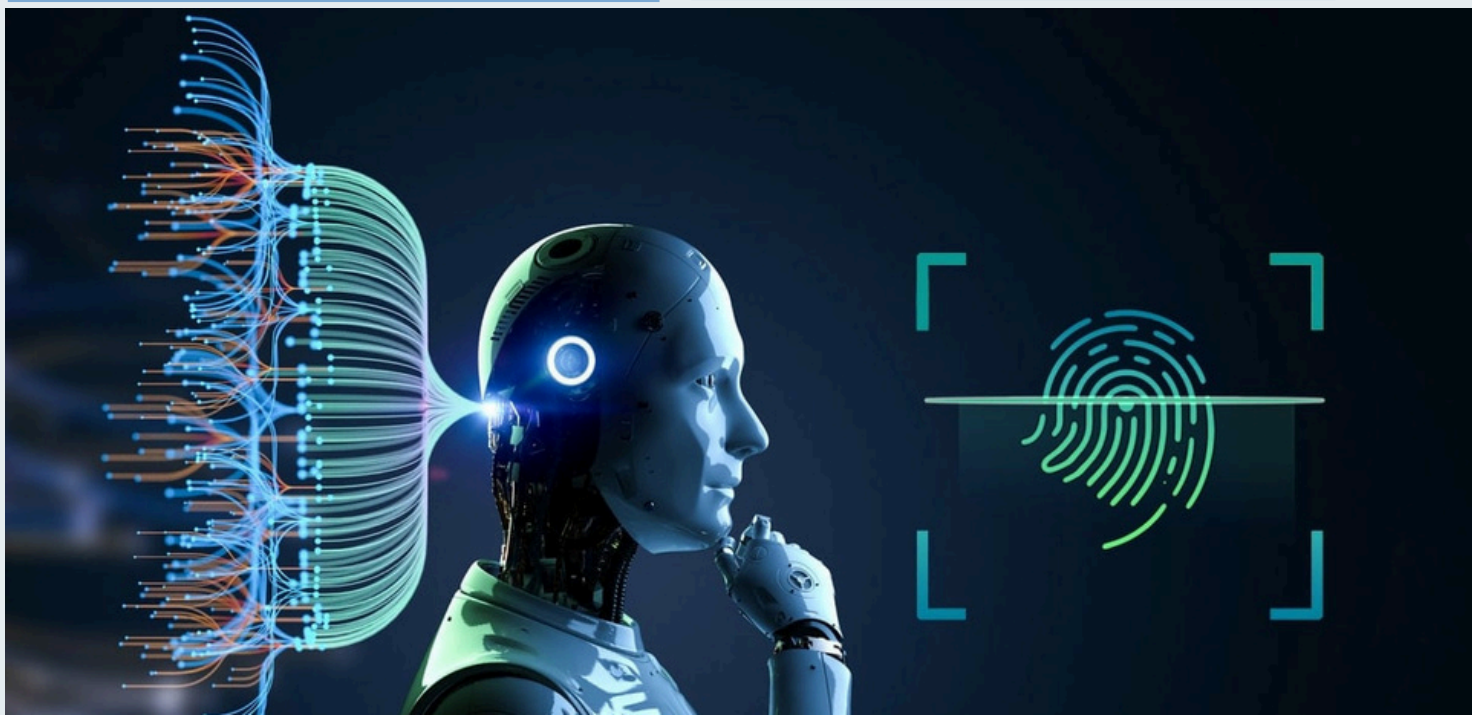
Investment fraud isn't confined to any single country—it's a global issue that's become more prevalent with the rise of interconnectedness facilitated by technology. Recent investigations have uncovered large-scale fraud networks like the Milton Group, which allegedly scammed billions worldwide. This echoes historical instances of fraud, such as the infamous Ponzi scheme by Bernie Madoff and Enron's deceptive practices.

The modern digital era has made investing more accessible than ever, but it has also opened the door to fraudsters who exploit psychological vulnerabilities. People tend to trust consistent information and recommendations from familiar sources, which fraudsters manipulate through tactics like affinity fraud, targeting specific communities.

Furthermore, emotions like FOMO (fear of missing out) and high-pressure sales tactics are often employed to push investments. Mitigating fraud involves thorough due diligence, skepticism, and seeking advice from independent sources.

For institutional fiduciaries managing large sums of money, fraud prevention is not just advisable—it's a legal obligation. This entails measures like background checks, ongoing training, and adherence to ethical standards. Despite the ever-evolving tactics of fraudsters, maintaining awareness, diligence, and ethical behavior are essential in protecting investors from falling victim to scams.

[ACFE Fraud Magazine](#)



# Glossary

## AY

Assessment Year

## AIS

Annual Information Statement

## MSME

Micro Small & Medium Enterprises

## CBDT

Central Board of Direct Taxes

## CBIC

Central Board of Indirect Taxes

## ESIC

Employee State Insurance Corporation

## EFCI

Eligible Fixed Capital investment

## ITC

Input Tax Credit

## AO

Assessing Officer

## FY

Financial year

## PF

Provident Fund

## ICAI

Institute of Chartered Accountants of India

## FOMO

Fear of Missing Out

## KYC

Know Your Client

## INR

Indian National Rupee

## CLCSS

Credit Linked Capital Subsidy Scheme for technological upgradation

## REIT

Real Estate Investment Trust

## LODR

Listing Obligations and Disclosure Requirements

## ITC

Input Tax Credit

## ITD

Income Tax Department

## MCA

Merchant Cash Advance

## LLP

Limited Liability Partnership

## MCA

Ministry of Corporate Affairs

## REIT

Real Estate Investment Trust

## AI

Artificial Intelligence

## UAM

Udyog Aadhaar Memorandum

## REITs

Real Estate Investment Trust

## MSME

Micro, Small and Medium Enterprises

## SEBI

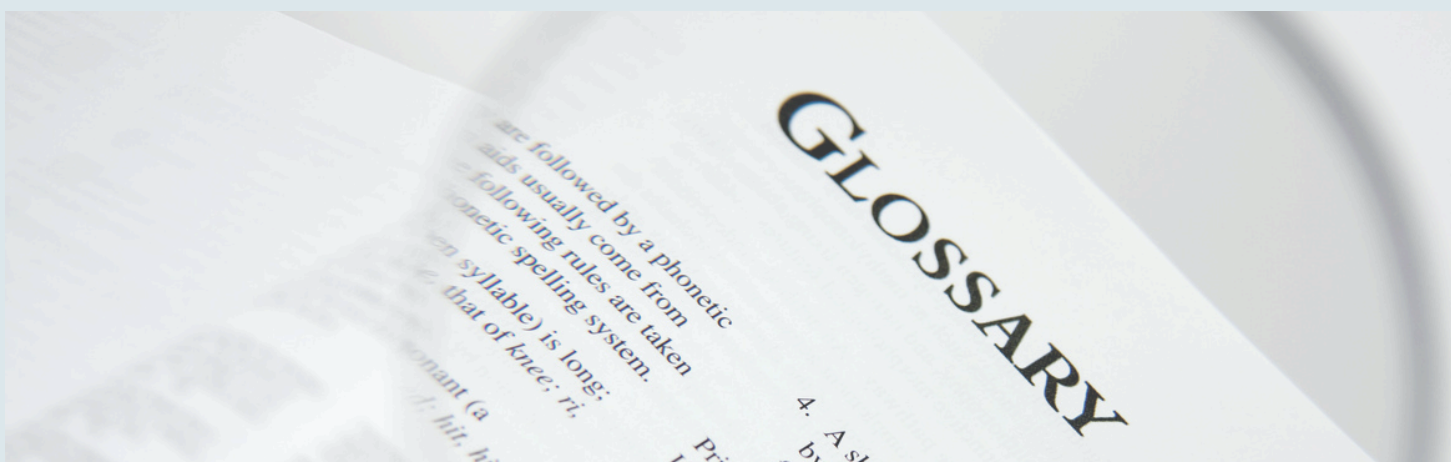
Securities and Exchange board of India

## ICDR

Issue of Capital & Disclosure Requirements

## ITR

Income Tax Return



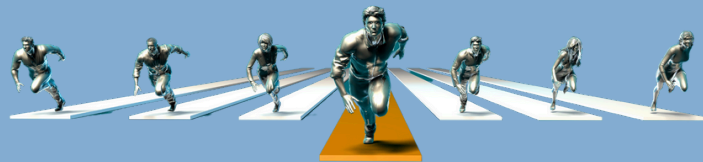
# ABOUT US

A full services firm of corporate strategists, accountants, tax advisory experts and financial analysts.

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- Business Advisory Services
- Taxation
- Assurance
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