



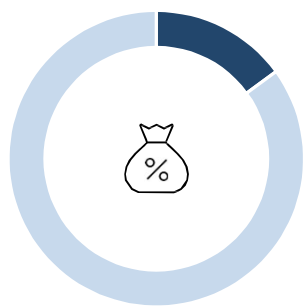
INDIA 
BUDGET 2024 →
A Sprint or A Racewalk ?

01 Direct Tax Proposals

Tax Rates

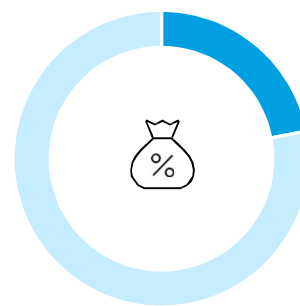
New Default Tax Regime - A certainty

New Default Tax Regime - A certainty



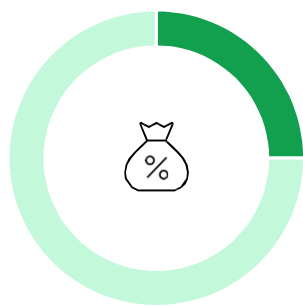
15% u/s 115BAB

(Effectively 17.16% for New Manufacturing Companies that have commenced manufacturing before 31st March 2024)



22% u/s 115BAA

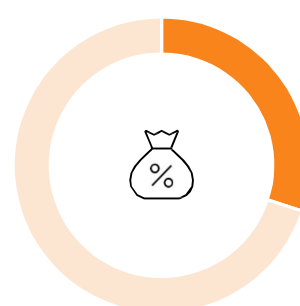
(Effectively 25.17% for Companies opting for New Regime)



25%

Max. ETR of 29.12% for -

- Certain Manufacturing Companies opting new regime u/s 115BA; and
- For Companies with Turnover < INR 400 crores in FY 2022-23



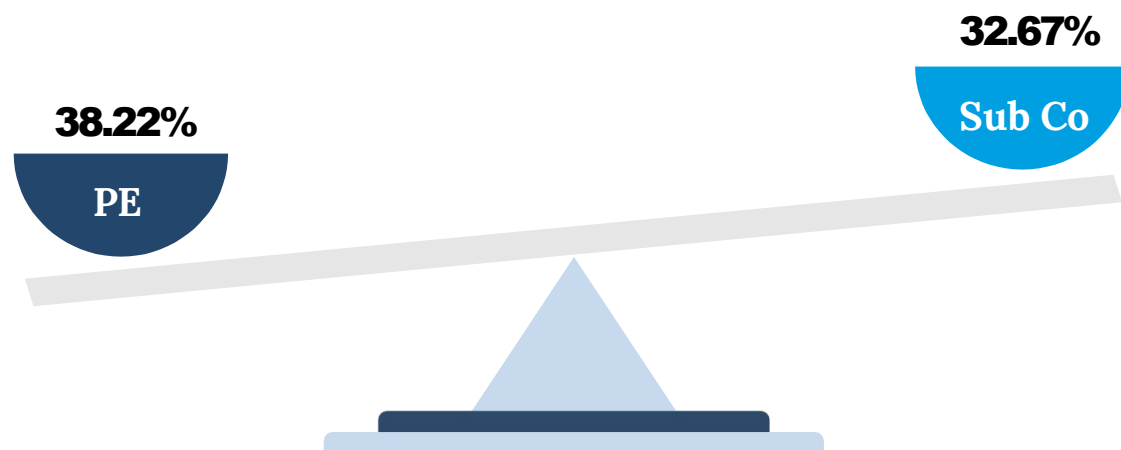
30%

Max. ETR of 34.94% for -

- For companies under old regime; and
- LLPs and Firms

Foreign Companies

- » Corporate Tax rate for Foreign Companies reduced from 40% to 35%
- » Effective Tax Rate (max)
 - » MNC operating through PE - 38.22% (from 43.68%)
 - » MNC operating through Indian subsidiary – 32.67% to 41.51%
 - » Assuming Dividend Withholding from 10% to 20%



Personal Taxes

- » Minor Change in slab rate for individuals / HUF / AOP / BOI under new regime u/s 115BAC

AY 24-25	AY 25-26	Tax Rate
< 3 Lakhs	< 3 Lakhs	Nil
3 – 6 Lakhs	3 – 7 Lakhs	5%
6 – 9 Lakhs	7 – 10 Lakhs	10%
9 – 12 Lakhs	10 – 12 Lakhs	15%
12 – 15 Lakhs	12 – 15 Lakhs	20%
> 15 Lakhs	> 15 Lakhs	30%

- » Incentives for Employees only under New Regime

- » Employer's contribution to NPS u/s 80CCD(2) – Increased from 10% to 14% of Salary
- » Increase in Standard deduction u/s 16 for Income from Salaries from INR 50,000 to INR 75,000
- » Increased deduction from Family Pension u/s 57 up to 25,000 (instead of 15,000)

Capital Gains

Capital Gains – Whose 'Gain' is it anyway?

Capital Gains – New Tax Rates

- » Uniform 12.5% Rate of Tax for LTCG w.e.f. 23rd July 2024
 - » Uniform for Residents & Non-residents and across types of assets
 - » Max. ETR for resident individuals - 14.95%
- » Increase on Tax on sale of listed securities u/s 112A from 10% to 12.5%
 - » Exemption threshold u/s 112A enhanced from INR 1 Lakh to INR 1.25 lakh
- » Increase in STCG on Listed Securities u/s 111A from 15% to 20%
 - » W.e.f. 23rd July 2024
- » Increase in STT w.e.f. 1st October 2024
 - » 0.1% on Options & 0.02% on Futures

Capital Gains – Holding Period

- » General requirement of Holding Period reduced to 24 months to classify as long-term asset
 - » Holding period for listed securities and Equity oriented MF maintained at 12 months
 - › All listed units are now eligible for 12 months period of holding
 - » ‘Undertaking’ sold in slump sale would still need to meet 36 months’ test
- » Section 50AA – Holding Period Irrelevant
 - » Following instruments taxed as STCA irrespective of holding period
 - › Market Linked Debentures
 - › Debt and Money Market MF units
 - › Other Asset / Hybrid Asset MF units and even FOF units now excluded
 - › Unlisted Bonds
 - › Unlisted Debentures

Capital Gains – No more Inflation Adjustment

- » Rate reduction coupled with removal of indexation benefit
 - » Longer Holding Period Irrelevant
 - » FMV substitution as on April 1, 2001 permitted
 - » Investment Value for exemption u/s. 54 substantially goes up
 - » Can also impact applicable surcharge, which are dependent on Total Income
- » Forex Devaluation Loss continued to be allowed to Non-Residents (except Sec 112A)
- » Relevance of Section 112A
 - » Grandfathering gains up to Jan 2018
 - » Exemption of gains up to INR 125,000
 - » Section 112 also offers same rate of tax except above two benefits
 - » However, it offers forex devaluation loss exclusion
 - » Whether Section 112A mandatory or optional basis conditions attached?

Listed Securities

Nature of Capital Asset	Period of Holding	Tax Rates on LTCG		Tax Rates on STCG	
		Upto 23 rd July 2024	W.e.f. 23 rd July 2024	Upto 23 rd July 2024	W.e.f. 23 rd July 2024
Listed Shares	12 months	10%	12.5%	15%	20%
Units of Equity oriented MF	12 months	10%	12.5%	15%	20%
Units of REITs / InvITs	12 months (36 months)	10%	12.5%	15%	20%
Units of Gold / Silver ETF	12 months (NA)	Normal Rate	Normal Rate [12.5% - Note 4]	Normal Rate	Normal Rate
Units of Debt and money market MF	NA	Normal Rate	Normal Rate	Normal Rate	Normal Rate
Listed Bonds	12 months	10%	12.5%	Normal Rate	Normal Rate
Market Linked Debentures	NA	Normal Rate	Normal Rate	Normal Rate	Normal Rate
Specified Securities u/s 115AB/ 115AC/115ACA/115E	-	10%	12.5%	-	-

Unlisted Securities and Other Capital Assets

Nature of Capital Asset	Period of Holding	Tax Rates on LTCG		Tax Rates on STCG	
		Upto 23 rd July 2024	W.e.f. 23 rd July 2024	Upto 23 rd July 2024	W.e.f. 23 rd July 2024
Unlisted Shares sold by a Resident	24 months	20%*	12.5%	Normal Rate	Normal Rate
Unlisted shares sold by Non-Resident	24 months	10%	12.5%	Normal Rate	Normal Rate
Unlisted bonds or Debentures	NA (36 months)	20%	Normal Rate	Normal Rate	Normal Rate
Business Undertaking (sold in a slump sale)	36 months	20%	12.5%	Normal Rate	Normal Rate
Depreciable Assets	24 months (36 months)	20%	12.5%	Normal Rate	Normal Rate
Immovable Property	24 months	20%*	12.5%	Normal Rate	Normal Rate
Gold, Bullion, Jewellery and other capital assets	24 months (36 months)	20%*	12.5%	Normal Rate	Normal Rate

Notes:

1. All rates mentioned above are exclusive of applicable surcharge and cess.
2. NA represents that period of holding was not relevant for tax determination purpose.
3. * implies the taxable gains are after claiming indexation benefit
4. 12.5% will be effective from FY 2025-26

Structural Changes

- » Different Dimensions to Parity
 - » Listed & Unlisted Company Shares
 - » Asset Sale v Shares Sale
 - » Resident v Non-Resident
 - » General v. FII v. NRI
- » Benefit to Indian Promoters of Unlisted Companies
 - » LTCG rate reduced from ~24% to 15%
 - » Exit Tax parity for resident and non-resident JV partners
- » STT
 - » From substitute of CGT to substitute of GST / Stamp Duty

Buyback - Reaping 'Dividends'?

- » Abolition of 20% Buyback Tax u/s 115QA (ETR ~ 18.89%)
 - » W.e.f. 1st October 2024
- » Entire buyback proceeds on Sec. 68 buyback taxable as “**Dividends**”
 - » Irrespective of Accumulated profits available with Distributing Company
 - » No deduction u/s 57 with respect to interest on loan for investments
 - » Taxable at applicable Corporate tax rates / Slab rates
 - » Possible to claim Section 80M deduction, where applicable
- » Cost of Acquisition to be allowed to be carried forward as Loss under Capital Gains head

Repatriation ETR for a Business

Particulars	Domestic Company	LLP	Indian Subsidiary of a USA Co	PE of a USA Co
Profits Before Tax	100.00	100.00	100.00	100.00
(Less): Tax	(25.17)	(34.94)	(25.17)	(38.22)
Profits After Tax	74.83	65.06	74.83	61.78
(Less): Tax on Repatriation	(26.85)	-*	(11.22)**	-
Net Cash Flow After Tax	47.98	65.06	63.61	61.78
Effective Tax Rate on Repatriation	52.02%	34.94%	36.39%	38.22%

*Exempt u/s 10(2A) of the Act

**As per India-USA DTAA, tax to be withheld @15% on repatriation of profit to F. Co.

Some thoughts on Parity

- » Repatriation ETR
 - » Company (52.02%) v. LLP (34.94%)
 - » Indian promoter owned Company (52.02%) v. Foreign promoter owned Company (36.39%)
- » In 1998, repatriation ETR was 41.5%
 - » In era of moderating / reduced tax rates, it has skyrocketed to 52.02%
- » With Buyback, repatriation ETR was 39.31%
 - » Parity with Dividend is relevant
 - » But broad parity with other forms of Business is equally important
- » Income from same instrument taxed widely varying
 - » Dividend (35.88%) v. LTCG (15%)
- » Time to rethink Dividend Taxation?

Some thoughts on Parity

» Productive Assets Taxation

- » Gains taxed at 12.5%
- » Amortization / depreciation deductible at 22% / 30%
 - › Can also result in saving tax on Dividend repatriation
- » Depreciation recapture should ideally be taxed at normal rates
- » Large disparity in productive asset taxation should be avoided
 - › Single rate for all asset class may not be very advisable

» Parity between asset sale and share sale – advisable?

- » Asset sale results into deductible amortisation / depreciation (excluding goodwill)
- » Taxed at 12.5% but deduction could save 22% / 30%

Other Amendments

- » Gifts by Corporate made Taxable
 - » Only gifts from Individuals / HUFs exempt u/s 47
- » Section 55 Clarification
 - » In case of Unlisted shares “Offered for Sale” on Listing

International Tax

Pillars demolish Equalisation Levy



BEPS Action 1 -
Addressing tax
challenges of
Digital Economy

- India introduces Equalisation Levy on online advertisement services (EL 1.0)
- 6% withholding tax obligation on Indian payers

- India introduces the controversial EL 2.0
- Equalisation levy on e-commerce operators @ 2%
- Payment and compliance obligations on NR recipients

- Pillar 1 Blueprint released by OECD
- Intention to reallocate taxing rights to market jurisdiction

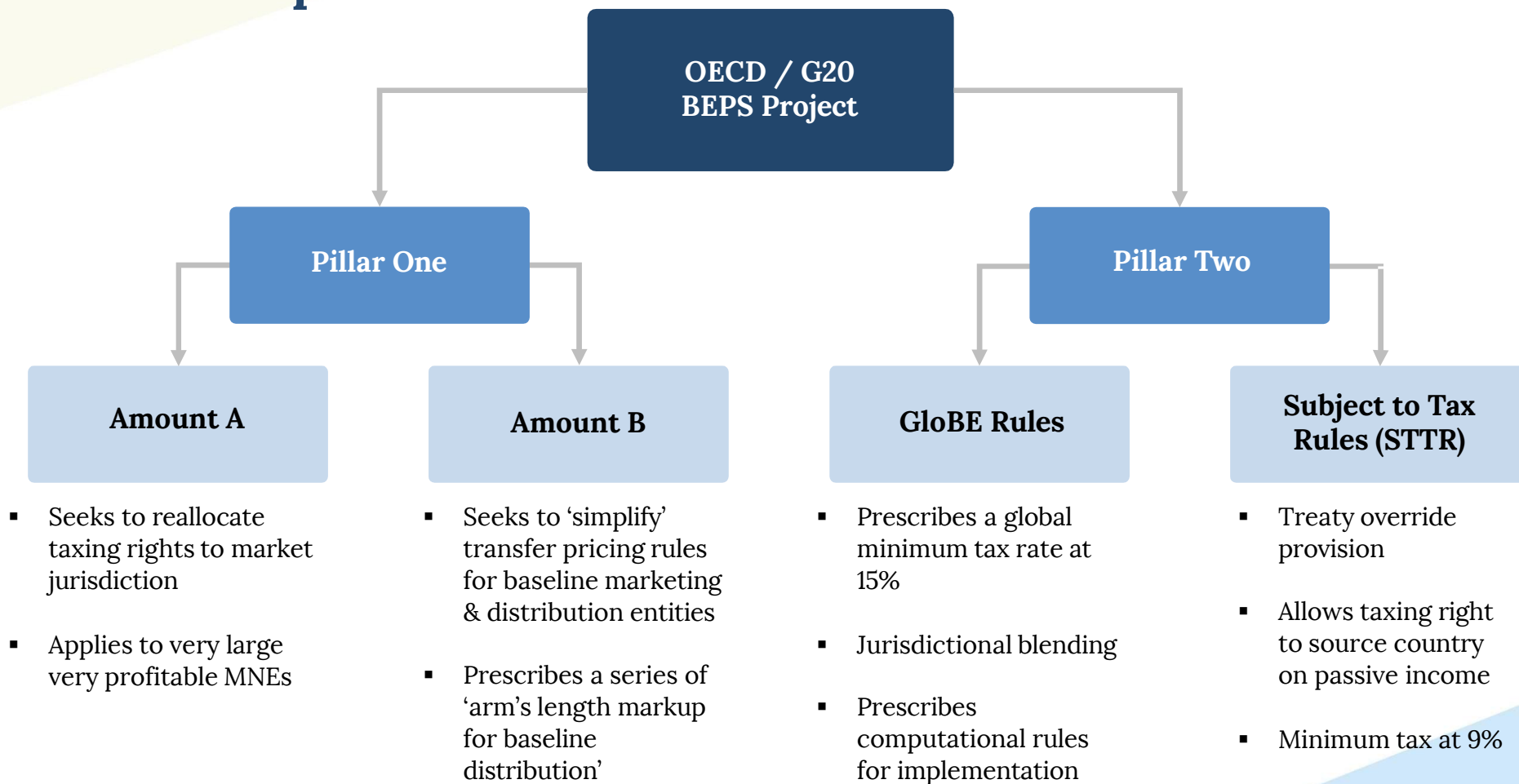
134 countries ratified the Pillar One and Two approach

- 139 countries agreed to phase out domestic DST and conclusively work on common consensus for Pillar One and Pillar Two
- US enters into agreement with European countries for phasing out of DST

India and US enter into agreement for phasing out of DST by Mar 24 / adoption of Pillar One, whichever is earlier

- June 2024 – India and US extend the due date unto June 30, 2024
- **July 2024 – India abolishes EL 2.0**
- **Effective from August 1, 2024**
- EL 1.0 still continues

Pillars explained



Foreign Taxes & Income – Best of both worlds!

- » Foreign Tax Credit (FTC) – A vexed issue
- » Whether taxes withheld abroad to be considered as Income for India tax purposes?
- » Section 198 provides for considering taxes *withheld in India* as income received
 - » Possible interpretation – taxes withheld outside India not an ‘income’
 - » Alternative proposition – diversion of income by overriding title, hence, not an income
- » Situation – Claim of FTC on one hand and also considering such amount as non-taxable
 - » Unintended double benefit
- » Section 198 proposed to be amended to plug the loophole (from April 1, 2025)
 - » To include taxes paid outside India, by way of deduction *in respect of which an assessee is allowed a credit against the tax payable under the Act*
- » What if assessee is either not allowed or is not eligible for credit – does it make the income non-taxable?
- » Foreign taxes
 - » Claim of FTC vs. tax-deductible expenditure vs. non-taxable income!

Shipping companies

- » Non-resident 'cruise' shipping companies (AY 2025-26 onwards)
 - » 20% of receipts to be deemed as income as against 7.5% currently applicable for all shipping companies
 - » Lease rentals to be paid by operators to foreign ship owners, being sister companies, not taxable in India up to AY 2030-31
 - › Subject to conditions
 - › Sister companies are specifically defined

Transfer Pricing and Thin Capitalisation

- » Rationalisation of transfer pricing assessment process
 - » Power to TPO to examine specified domestic transactions not reported / referred by AO

- » Safe harbour regulations under TP to be reviewed
 - » Amendment to Rules may bring extensive changes

- » Exemption from thin capitalisation to banks & NBFCs, now extended to financial institutions in IFSC

Corporate Taxation

Business Taxation

- » Provisions of section 115BAB (15% for new manufacturing companies) not extended
- » Clarity on treatment of Rental Income (AY 2025-26 onwards)
 - » Income from renting out of own residential property not to be taxed as Business Income
 - › To be offered to tax as Income from house property
 - » Attempt to reduce litigation
- » Deduction in respect of contribution to NPS (for employees) – Limit increased from 10% to 14% (AY 2025-26 onwards)
- » Expenditure incurred towards settlement of proceedings in respect of unlawful acts not tax-deductible (AY 2025-26 onwards)
- » Limit increased for tax deductible partners' remuneration (AY 2025-26 onwards)
 - » On the first Rs. 6,00,000 (as opposed to Rs. 3,00,000) of book profit or in case of a loss
 - › Limit increased to Rs, 3,00,000 (as opposed to Rs. 1,50,000) or 90% of the book profit, whichever is more

Demon of 'Angel Tax' exorcised

- » *Angel Tax* introduced in 2012
- » Tax on receipt of share capital (at a premium) above fair market value
 - » Intended to check money laundering through investment in startups
- » Impacted the overall startup ecosystem
 - » Taxed companies for money received from angel investors / HNIs
 - » Increased compliance requirements
 - » Multiple amendments over the years
 - » Prone to litigation
- » Stringent norms for exceptions carved out for 'genuine' startups
- » Angel tax proposed to be abolished
 - » Not to apply on or after April 1, 2025
 - » AY 2025-26 or AY 2026-27?

TDS – Less tedious... or is it?

» Rationalisation of rates

» Rate reduced from 5% to 2%

- › Life Insurance Policy [194DA] (from Oct 1, 2024)
- › Commission (including on sale of lottery tickets) or Brokerage [194G/H] (from Oct 1, 2024)
- › Payment of certain sums (contract, commission, professional fees) by individuals / HUF [194M] (from Oct 1, 2024)
- › Rent by individuals / HUF [194-IB] (from Oct 1, 2024)

» Rate reduced from 1% to 0.1%

- › Payment by e-commerce operators to e-commerce participants [194-O] (from Oct 1, 2024)
 - › To be in line with TDS on purchases

» Lower TDS application can be made in case of section 194Q (Purchase of goods) (from Oct 1, 2024)

» Ease in claiming TDS / TCS credit by employees – Employer to factor the same (from Oct 1, 2024)

» Credit of TCS of minor in the hands of parent (from Jan 1, 2025)

» Exception carved out for prosecution in case of delayed deposit of TDS (from Oct 1, 2024)

TDS – Less tedious... or is it?

- » TDS on purchase of immovable property – limit of Rs. 50 lakhs to be seen *qua* property
- » TDS on payments to Partners – new section 194T (from Apr 1, 2025)
 - » Salary, Remuneration, Bonus, Commission or Interest
 - » TDS at the rate of 10%
 - › On payment or credit (including to Capital account), whichever is earlier
 - › Threshold of Rs. 20,000 during the financial year
- » Interest on late deposit of TCS to attract 1.5% interest per month (AY 2025-26 onwards)
 - » In line with interest on late deposit of TDS
- » 194C vs 194J (From Oct 1, 2024)
 - » Cases covered under 194J to be out of the purview of 194C – 194J to apply
- » TCS on Luxury goods proposed – 1% (from Jan 1, 2025)
- » Time limit for filing revised TDS statements – 6 years from the end of financial year
- » Time limit for “assessee-in-default” in case of both, resident & non-resident payees – 6 years

Procedural Aspects

Reassessing Reassessment!

- » Government on a spree to continuously reassess the provisions relating to reassessment
 - » Complete overhaul of provisions in 2021 , amendments in 2023
- » New provisions proposed to be introduced from Sep 1, 2024
- » Focus on reducing litigation and clarity on timelines
- » Provisions leading to stringent interpretation for tax authorities liberalized
- » De-linking of search related provisions
- » Revised timelines

Sr. No.	Section	Income escaping assessment	Timeline (from end of AY)
1	148A (Show cause notice before reassessment)	Less than Rs. 50,00,000	3 years
		Rs. 50,00,000 or more	5 years
2	148 (Notice for reassessment)	Less than Rs. 50,00,000	3 years and 3 months
		Rs. 50,00,000 or more	5 years and 3 months

Block Assessment

- » Re-introduction of 'block assessment' in cases of Search Action / Requisition Action from Sep 1, 2024
- » Block Period – Year of Search *plus* 6 previous years
- » All existing proceedings (including Transfer Pricing proceedings) relating to Block Period to be abated
 - » Possible revival in certain cases
- » Possibility of multiple block assessments
- » Tax to be paid @ 60%
 - » Dichotomy in language – Current language leads to absurd interpretation
 - » Should be on total undisclosed income
- » Penalty may be levied @ 50% of the tax payable
 - » No penalty if income already disclosed in tax return subsequent to block assessment

Vivad se Vishwas Scheme, 2024 - making it happen, again!

- » Objective – to reduce litigation and increase revenue
- » A successful precedent in “*Vivad se Vishwas Scheme 2020*”
 - » Covered appeals pending as on January 31, 2020
- » Relaunch of VSV Scheme
 - » Cases covered – Disputed Tax, Disputed Interest, Disputed Penalty and Disputed Fee
 - » Period of dispute
 - › Cases where declarant is an appellant after January 31, 2020 but on or before July 22, 2024
 - › Cases where declarant was an appellant on or before January 31, 2020
 - » Amount to be paid
 - › Depending on nature of case (search or others, disputed by appellant or department, etc.)
 - › Depending on date of payment – whether within or after cut-off date (Cut-off date - December 31, 2024)
 - › Disputed Tax matters - Varies from 50% to 135%
 - › Disputed Interest, Penalty or Fee – Varies from 25% to 35%

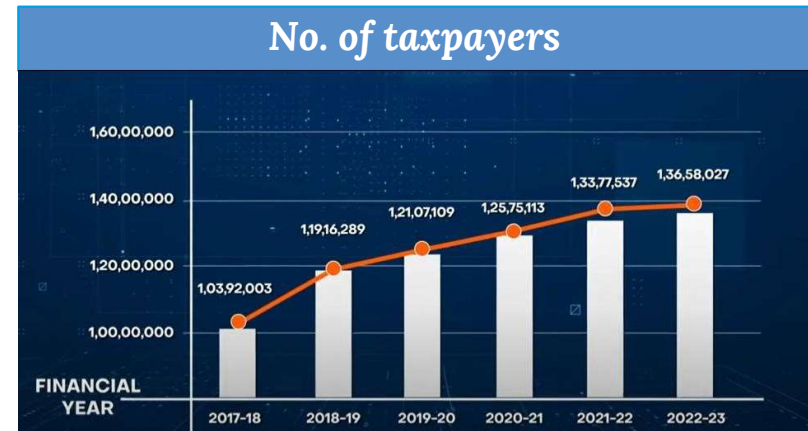
Other amendments

- » Charity
 - » Gradual discontinuation of exemption regime under section 10(23C) for specified charitable trusts / institutions - Objective of merging the same with provisions of section 12AB
 - » Relaxation in case of delayed registration / approval/ renewal applications, harsh consequences removed
 - » Merger of Trusts having similar objectives - More certainty to be provided
- » Rationalisation of due date for filing appeal with ITAT
 - » 60 days from the end of month in which order to be appealed against is communicated
- » Reduced requirement for tax authorities in cases of withholding of refunds
- » Penalties
 - » Not undertaking due diligence relating to SFT reporting irrespective of whether it results into inaccurate reporting or not - Rs. 50,000
 - » Non-filing of statement for Liaison Office in India - Rs. 1,000 per day or Rs. 100,000
- » Clear timelines provided in Benami Property Transaction Act
 - » Relief from penalty proposed for informer / approver

02 Goods & Services Tax

GST : pronouncements in budget speech

- » «GST is a success of vast proportions»
 - » Has decreased tax incidence on common man
 - » Reduced compliance burden & logistics cost
 - » Enhanced revenue for Central & State Govt.
- » «To multiply the benefits of GST, we will strive to further simplify and rationalize the tax structure and endeavor to expand it to the remaining sectors»
 - » Possibility of petroleum fuels getting subsumed into GST ?
- » GST collection in FY 2024-25 estimated to be Rs 10.68 lakh crore (only IGST)
 - » IGST collected in FY 23-24 : Rs 9.57 lakh crore
 - » Total GST collected in FY 23-24 (gross) : Rs 20.18 lakh crore
- » Recommendations made by the 53rd GST Council Meeting have been incorporated in Finance Bill



GST law : Major changes proposed by Finance (No. 2) Bill 2024

Sr	Change	Section	Proposed change & implication thereof
1	Time limit to avail ITC	16 (5)	<ul style="list-style-type: none"> ▪ Time limit to avail ITC for FY 2017-18, 2018-19, 2019-20 and 2020-21 : 30 November 2021 ▪ Retrospectively amended section 16 (4) with effect from 1 July 2017 ▪ No refund if tax already paid or ITC reversed
		16 (6)	<ul style="list-style-type: none"> ▪ Time limit to avail ITC in case of return filed after revocation of registration cancellation, shall be later of – <ul style="list-style-type: none"> (a) Return filed up to 30 November following the financial year to which the invoice / debit note pertains or filing of annual return – whichever is earlier; or (b) Return filed from date of cancellation till date of order of revocation of cancellation – where such return is filed within 30 days from date of order or revocation of cancellation

GST law : Major changes proposed by Finance (No. 2) Bill 2024

Sr	Change	Section	Proposed change & implication thereof
2	Power not to recover GST	11 A	<ul style="list-style-type: none"> Govt on recommendation of Council by a notification may direct not to recover GST not levied or short-levied as a result of general prevalent practice
3	ENA excluded from ambit of GST	9	<ul style="list-style-type: none"> Un-denatured extra neutral alcohol or rectified spirit used for manufacture of alcoholic liquor, for human consumption – excluded from ambit of GST <ul style="list-style-type: none"> 52nd GST Council had recommended States to decide rate for ENA
4	ToS for RCM	13 (3)	<ul style="list-style-type: none"> ToS for service liable to be taxed under RCM would be earlier of – <ol style="list-style-type: none"> date of payment 60 days from date of invoice – where invoice to be issued by supplier or date of issue of invoice by recipient – where invoice to be issued by recipient

GST law : Major changes proposed by Finance (No. 2) Bill 2024

Sr	Change	Section	Proposed change & implication thereof
5	Restriction to claim ITC	17 (5) (i)	<ul style="list-style-type: none"> ▪ Restriction to claim ITC for tax paid in accordance with section 74 only up to FY 2023-24 <ul style="list-style-type: none"> ▪ As new section 74A introduced for FY 2024-25 onwards ▪ Restriction to claim ITC for tax paid in accordance with sections 129 and 130 removed
6	Tax invoice	31 (3) (f)	<ul style="list-style-type: none"> ▪ Section amended for issuance of invoice within period as may be prescribed <ul style="list-style-type: none"> ▪ Explanation added to clarify that URP shall include supplier who is registered solely for TDS deduction
7	Return by TDS deductor	39 (3)	<ul style="list-style-type: none"> ▪ Return to be furnished electronically for every calendar month – whether or not any deduction made during the said month <ul style="list-style-type: none"> ▪ Presently the requirement to furnish return is only for the month in which deduction has been made

GST law : Major changes proposed by Finance (No. 2) Bill 2024

Sr	Change	Section	Proposed change & implication thereof
8	Refund	54 (15)	<ul style="list-style-type: none"> No refund on export of goods liable for export duty [both for surplus ITC & IGST paid on exports]
		54 (3)	<ul style="list-style-type: none"> Restriction to claim refund of ITC if drawback or refund of IGST paid on such supplies is claimed
9	Appearance pursuant to summons	70 (1A)	<ul style="list-style-type: none"> Appearance before the proper officer can be in person by taxpayer or by an authorized representative
10	Recovery of tax	73 & 74	<ul style="list-style-type: none"> Determination of tax no paid, short paid or erroneously refunded or ITC wrongly availed or utilized – restricted to pertaining to period up to Financial Year 2023-24 <ul style="list-style-type: none"> New section 74 A introduced for FY 2024-25 onwards

GST law : Major changes proposed by Finance (No. 2) Bill 2024

Sr	Change	Section	Proposed change & implication thereof
11	Recovery of tax	74 A	<ul style="list-style-type: none"> ▪ Determination of tax no paid, short paid or erroneously refunded or ITC wrongly availed or utilized – pertaining Financial Year 2024-25 onwards ▪ No notice to be issued for amount less than Rs 1,000 ▪ Timeline to issue notice : 42 months from due date of GSTR 9 / date of erroneous refund ▪ Penalty of 10% (no fraud) / 100% (if fraud) ▪ Order to be issued within 12 months from date of noticee ▪ Penalty (if no fraud) – <ul style="list-style-type: none"> ▪ No penalty if tax + interest paid within 60 days of SCN ▪ Penalty (if fraud) – <ul style="list-style-type: none"> ▪ 15% - if tax paid before issuance of notice ▪ 25%- if tax paid within 60 days of notice ▪ 50% - if tax paid within 60 days or order

GST law : Major changes proposed by Finance (No. 2) Bill 2024

Sr	Change	Section	Proposed change & implication thereof
12	Waiver of interest and / or penalty	128 A	<ul style="list-style-type: none"> ▪ No interest and / or penalty if tax paid before such date as notified by the Government on recommendation of the Council <ul style="list-style-type: none"> ▪ Tax payable pertains to period from 1 July 2017 to 31 March 2020 ▪ Demand raised u/s 73
13	Pre-deposit for appeal	107 (6) 112 (6)	<ul style="list-style-type: none"> ▪ For first appellate authority : 10% [cap of Rs 20 Cr for CGST & SGST] <ul style="list-style-type: none"> ▪ Presently 10% with cap of Rs 25 Cr each for CGST & SGST ▪ For Tribunal : additional 10% [cap of Rs 20 Cr for CGST & SGST] <ul style="list-style-type: none"> ▪ Presently additional 20% with cap of Rs 50 Cr each for CGST & SGST
14	Timelines to file appeal	112 (1)	<ul style="list-style-type: none"> ▪ 3 months from date on which order sought to be appealed against is communicated or the date as may be notified by the Government on the recommendation of the Council for filing the appeal – which is later

03 Customs

Customs law : Major changes proposed in Union Budget 2024

Sr	Change	Section	Proposed change & implication thereof
1	Certificate of origin	28 DA	<ul style="list-style-type: none"> ▪ The word “Certificate” is sought to be replaced with word “Proof” for origin <ul style="list-style-type: none"> ▪ <i>Proof of origin would now mean a certificate or declaration issued in accordance with trade agreement declaring that the goods fulfil the country-of-origin criteria</i>
2	MOOWR	65 (1)	<ul style="list-style-type: none"> ▪ Certain manufacturing and other operations in relation to class of goods shall not be permitted in a warehouse
3	Compensation Cess on imports by SEZ	-	<ul style="list-style-type: none"> ▪ Compensation Cess on imports for authorized operations by SEZ Unit / Developer in SEZ, exempted wef 1 July 2017
4	Rate changes	-	<ul style="list-style-type: none"> ▪ BCD, Export Duty, AIDC reduced / nullified for 107 goods ▪ BCD increased for 8 goods ▪ Rate unchanged, but extension provided for 15 goods

Locations

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