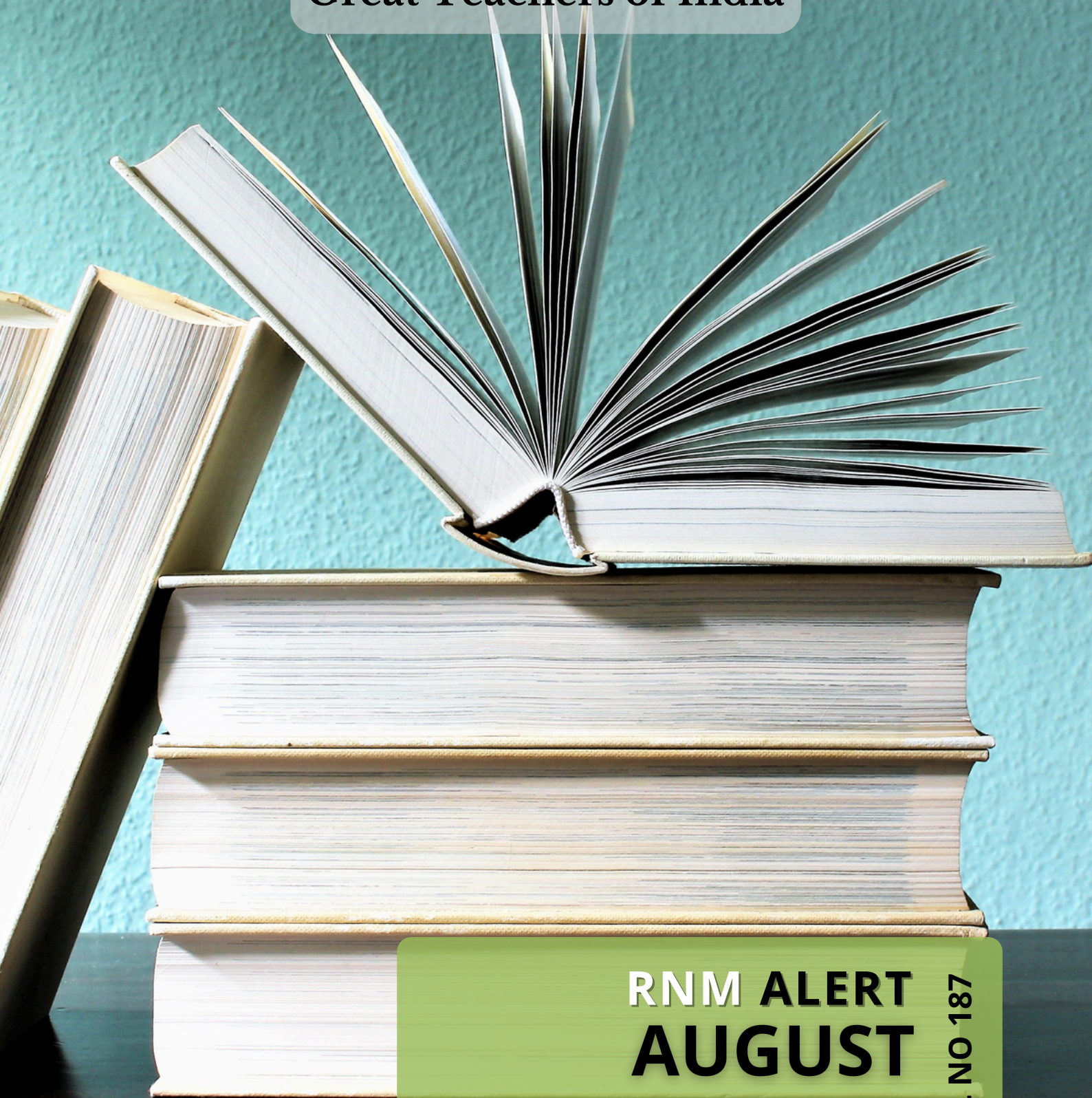


**Great Teachers of India**



**RNM ALERT**  
**AUGUST**  
**NEWSLETTER**

**VOL NO 187**

Observing Teachers' Day (5th Sept) &  
International Literacy Day (8th Sept)

The background of the page features a stack of books on the left side, with several colorful sticky notes (yellow, purple, green, orange) scattered across the top and middle sections. The overall aesthetic is professional and organized.

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# EDITORIAL

## Dear Readers

During the month of August 2024 our CEO, Mr. Raghu Marwah met the Trade Commissioner of the Russian Federation to India, Mr. Alexander Rybas and discussed various matters of mutual interest including the advantages of Gift City, Gandhinagar. The celebration of Independence Day and Janamashtami were done by Team RNM in a colorful manner.

The International Financial Service Centre Authority (IFSCA), Gift City has issued a concept paper for public comment on Platform Play or third-party fund management services where different fund managers can work together. RNM feels that this is a very welcome step, especially considering the flood of family offices which would like to use Gift City as a jurisdiction for overseas portfolio investments.

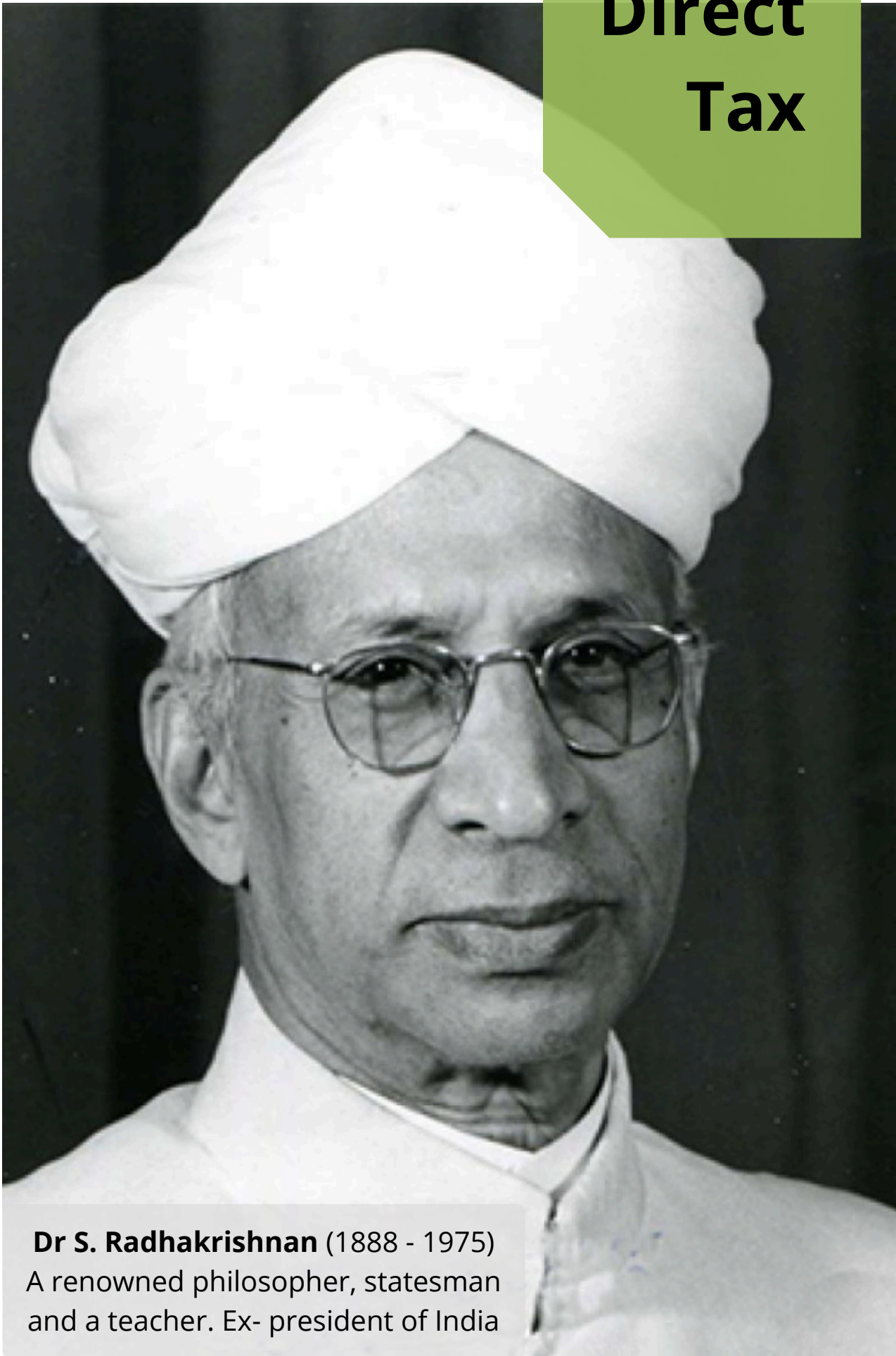
On the Direct tax front, the government has notified the e-Dispute Resolution Scheme (e-DRS) with an aim to reduce litigation and provide relief to eligible taxpayers. A taxpayer can opt for e-Dispute Resolution against the 'specified order' as defined in clause (b) of the Explanation to section 245MA of the Income Tax Act, which includes an order in which the aggregate sum of variations proposed or made does not exceed Rs.10 lakh and returned income for the relevant assessment year does not exceed Rs. 50 lakh. Further, such order should not be based on search/surveys or information received under an agreement referred to under section 90 or 90A of the Act.

On the Assurance front, the recent NFRA penalty order in the case of Coffee Day Enterprises 2018-19 audit has created quite a flutter in the accounting world with ICAI and NFRA going head to head on sustainability of Standard on Auditing (SA) 600 on Using the Work of Another Auditor which is not aligned with International Standard on Auditing (ISA) 600 on Audits of Group Financial Statements (including the work of component auditors). The accounting profession must have clarity on the regulations applicable without changing the goal post retrospectively.

We would like to take this opportunity of wishing all our readers a happy Ganesh Chaturthi on 7th September. On this day when we commemorate Lord Ganesha to bless all with new beginnings by removing obstacles.

**U N Marwah**  
**Chairman - RNM India**

# Direct Tax



**Dr S. Radhakrishnan (1888 - 1975)**  
A renowned philosopher, statesman  
and a teacher. Ex- president of India

## **1. CBDT launches e-DRS 2022 to minimize litigation and offer relief to eligible taxpayers**

The CBDT launches e-DRS 2022 vide Press Release dated 30.08.2024; A taxpayer can opt for e-dispute resolution against the 'specified order' under certain conditions - E-DRS application must be filed within one month from date of receipt of specified order - if appeal is pending, E-DRS application is to be filed on or before 30-9-2024.

## **2. CBDT issues clarification in respect of income-tax clearance certificate (ITCC)**

The CBDT vide Press Release dated 20.08.2024 clarifies that All Indian citizens aren't required to obtain Income-tax Clearance Certificate before leaving country.

### **Important Judicial Precedents**

#### **1. ITAT allows additional evidence to be filed by assessee to establish genuineness of transactions**

[2024] 165 taxmann.com 679 (Mumbai - Trib.) Om Shanti Realtors vs. ITO

Where Assessing Officer disallowed interest paid by assessee to various loan creditors and treated amount of new loan taken by assessee during year as unexplained cash credit under section 68, assessee was granted permission to file additional evidence in support of its claim of identity of creditors and their creditworthiness as well as genuineness of transaction and case was restored to file of Assessing Officer for consideration of additional evidence to be filed by assessee.

#### **2. AO to provide hearing opportunity before passing order even if assessee didn't participate in proceedings: HC**

[2024] 165 taxmann.com 670 (Madras-HC) Pandian Narayanan vs. Assessment Unit, Income Tax Department, NFAC, New Delhi

Where Assessing Officer had not taken into consideration documentary evidence submitted by assessee in reply to notice issued under section 148A(b), Assessing Officer was to be directed to provide opportunity of hearing to assessee and pass fresh assessment order.

#### **3. Reassessment is without jurisdiction if PCIT granted approval by merely writing 'Yes, I am satisfied': ITAT**

[2024] 163 taxmann.com 1155 (Delhi - Trib.) Raghav Technology (P.) Ltd. vs. ITO

Section 151, read with section 148, of the Income-tax Act, 1961 - Income escaping assessment - Sanction for issue of notice (Conditions precedent) - Assessment year 2010-11 - Assessing Officer received information from Investigation wing that search operation was carried out in case of one SKJ group of companies and it was noted from seized documents that assessee received accommodation entries from searched party - Accordingly, Assessing Officer made additions under section 68 and disallowed commission expenses for availing said accommodation entry - Whether since Assessing Officer had received approval from Principal Commissioner under section 151 for reopening of assessment wherein Principal Commissioner had merely written "Yes I am satisfied" without discussion, such approval could not be considered a valid approval - Held, yes - Whether thus, reassessment proceedings were without jurisdiction - Held, yes [Para 9][In favour of assessee]

#### **4. Commission paid to foreign agents for rendering sales, marketing and customer support services isn't FTS: ITAT**

[2024] 165 taxmann.com 432 (Mumbai - Trib.) Western Outdoor Interactive (P.) Ltd. vs. ACIT

Export commission paid by assessee towards sales, marketing and customer support services rendered outside India by foreign agents cannot be treated as FTS and therefore no disallowance under section 40(a)(i) is warranted for reason that no tax is deducted at source

#### **5. Prosecution for delay in deposit of TDS couldn't be initiated if tax was deposited with interest u/s 201(1A): HC**

[2024] 165 taxmann.com 605 (Bombay-HC) Hemant Mahipatray Shah vs. Anand Upadhyay.

Where complaint had been filed against company and its directors for delay in deposit of TDS deducted, which had already been deposited with interest as provided in section 201(1A), since no notice was issued to any of directors under section 2(35)(b) to treat them as principal officer of company and no averments had been made in complaint regarding 'Consent', 'Connivance' or 'negligence' as required under section 278B(2), complaint was bereft of essential ingredients and statutory requirements of section 278B were not fulfilled.

Where TDS had been paid in full, even with some delay, provision of section 276B would not be attracted and prosecution for failure to pay tax deducted at source could not be initiated where amount involved and period of default is not substantial and amount in default has also been deposited in meantime to credit of Government

#### **6. Whether re-opening of assessment is valid where commenced based on change of opinion rather than based on any evidence indicating that taxable income escaped assessment - YES: HC**

[2024-TIOL-1372-HC-AHM-IT HONEST DEVELOPERS Vs. ITO]

The petitioner successfully challenged the reopening of its assessment for the Assessment Year 2016-17 under section 148 of the Income Tax Act, arguing that the issue of sundry creditors, already addressed in the original assessment and pending appeal before the CIT (Appeals), should not be re-examined. The Assessing Officer's attempt to reopen the assessment based on the remaining 80% of the creditors was deemed a mere change of opinion, violating the principle of merger. The respondent's justification for reopening the assessment, based on an audit objection and the claim that the remaining creditors required further verification, was rejected as flawed. The court quashed the reopening notice and the order rejecting the petitioner's objection, finding no grounds for reassessment on this issue.



**7. Whether credit of TDS should be allowed for same year in which income has been claimed to have accrued/arising and included for determination of taxable income - YES: ITAT**

[2024-TIOL-1058-ITAT-DEL ITA No. 3915/Del/2023 INTERGLOBE ENTERPRISES PVT LTD Vs. ACIT Circle -10(1)]

It was submitted by the AR that the Coordinate Bench in ITA No. 6580/Del/2019 in assessee's own case for Assessment Year 2016-17 has been pleased to hold that the credit of TDS should be allowed for the same year in which the income has been claimed to have accrued/arising and included for determination of taxable income. A copy whereof has also been submitted before us. In addition to that it was submitted that even in appellant group company i.e Interglobe Technology Pvt. Ltd. Vs. ACIT reported in taxmann.com 542, the issue has been reiterated and decided that in terms of Sec. 199 of the Act r.w. Rule 37BA, the credit of TDS is to be allowed in the year in which income has offered for taxation. As the issue is squarely covered in assessee's own case and also in the case of the group company, we find that the income as was offered to tax in the year under consideration i.e Assessment Year 2021-22, the appellant had claimed credit of TDS of Rs. 67,90,143/- in the year under consideration. Identical claim has already been decided by the Coordinate Bench in favour of the assessee in view of the provision of Sec. 199 of the Act r.w. rule 37BA of the Rules.



# Indirect Tax



**Savitribai Phule** (1831 - 1897)  
India's First Teacher; An epitome of  
courage and justice



**GST Calendar –Compliances for the month of  
September 2024.**

<b>Nature of Compliances</b>	<b>Due Date</b>
<b>GSTR-7 (Tax Deducted at Source 'TDS')</b>	<b>September 10,2022</b>
<b>GSTR-8 (Tax Collected at Source 'TCS')</b>	<b>September 10,2022</b>
<b>GSTR-1</b>	<b>September 11,2022</b>
<b>IFF- Invoice furnishing facility (Availing QRMP)</b>	<b>September 13,2022</b>
<b>GSTR-6 Input Service Distributor</b>	<b>September 13,2022</b>
<b>GSTR-2B (Auto Generated Statement)</b>	<b>September 14,2022</b>
<b>GSTR-3B</b>	<b>September 20,2022</b>
<b>GSTR-5 (Non-Resident Taxable Person)</b>	<b>September 20,2022</b>
<b>GSTR-5A (OIDAR Service Provider)</b>	<b>September 20,2022</b>
<b>PMT-06 (who have opted for QRMP scheme)</b>	<b>September 25,2022</b>

## **Entitlement to IGST Refund for Exported Goods despite Higher Drawback Claims.**

### **Facts**

The petitioner, sought a refund of Integrated Goods and Services Tax (IGST) paid on exported goods under Section 16(3)(b) of the IGST Act, 2017. The refund claim was initially rejected by the authorities on the grounds that the petitioner had claimed a higher duty drawback rate. The Bombay High Court ruled that while the petitioner is entitled to an IGST refund, the refund amount should be reduced by the differential amount of the higher duty drawback claimed.

### **Issue**

The Petitioner, exported goods in July, August, and September 2017, paying IGST and claiming a higher drawback rate by selecting Column "A" on the relevant shipping bills. The petitioner claimed that under Section 16 of the IGST Act, exporters of zero-rated supplies are eligible for a refund of the IGST paid, despite the selection of a higher drawback rate. The refund was denied by the customs authorities, citing that claiming a higher drawback rate precludes eligibility for an IGST refund due to the risk of double benefits.

### **Rulings**

The Bombay High Court held that Even if an exporter claims a higher drawback rate, they are entitled to an IGST refund under Section 16(3)(b) of the IGST Act. The refund amount should be reduced by the differential amount between the higher and standard duty drawback rates to prevent double benefits. The petitioner is entitled to the reduced refund of IGST along with applicable interest, and the petition was partly allowed.

## **Quashing of State GST Notices When Central GST Actions Are Already Initiated**

### **Issue**

The main issue in this case was whether the State GST authorities could issue a show cause notice, adjudication order, and demand for the same tax period and subject matter for which the Central GST authorities had already initiated proceedings. The petitioner challenged the jurisdiction of the State authorities to issue a subsequent notice and demand when proceedings had already been initiated by the Central authorities.

### **Facts**

- **Parties Involved:** The petitioner, was issued a show cause notice by the Central GST authorities on September 30, 2022, covering the tax period from April 2018 to March 2019. The petitioner had already participated in this proceeding.
- **State Authorities' Action:** Despite the ongoing proceedings initiated by the Central authorities, the State GST authorities issued another show cause notice (in Form GST DRC-01) on December 27, 2023, covering the same tax period and partially the same subject matter. Following this, the State authorities issued an adjudication order and demand in Form GST DRC-07 on April 27, 2024.
- **Legal Challenge:** The petitioner challenged the show cause notice, adjudication order, and demand issued by the State authorities, arguing that they were without jurisdiction under Section 6(2)(b) of the CGST/SGST Act, 2017, since the Central authorities had already initiated proceedings for the same period and subject matter.

## Ruling

The Calcutta High Court, quashed the show cause notice, adjudication order, and demand issued by the State authorities on the following grounds:

- **Application of Section 6(2)(b):** The court held that under Section 6(2)(b) of the CGST/SGST Act, 2017, once the Central authorities have issued a show cause-cum-demand notice for a specific tax period and subject matter, the State authorities do not have the jurisdiction to issue a subsequent show cause notice and demand for the same period and subject matter.
- **Quashing of Orders:** Since the Central authorities had already issued a show cause notice on September 30, 2022, for the period from April 2018 to March 2019, and since the State authorities' notice dated December 27, 2023, covered the same tax period and subject matter, the subsequent actions by the State authorities were deemed without jurisdiction. Therefore, the court quashed the show cause notice, adjudication order, and demand issued by the State authorities.
- **Limitation on State Authorities:** The court clarified that this ruling does not prevent the State authorities from proceeding against the petitioner for any period not covered by the show cause notice issued by the Central authorities, provided that the subject matter is different from that covered by the Central authorities' notice.

## Key Amendments in GST Law:

### Merging Liability Provisions, Reducing Pre-Deposit Requirements, and Addressing Anti-Profiteering Disputes

- **Merging of GST Liability Determination Provisions:**
  - A new Section 74A has been introduced, merging Sections 73 and 74 of the CGST Act to standardize the time limits for adjudication of GST liabilities starting from FY 2024-25.
  - This change introduces a uniform limitation period of 42 months from the due date of filing the annual return, irrespective of whether there are allegations of fraud or not.
  - The amended law extends the period for issuing a Show Cause Notice (SCN) by providing a total of 51 months from the due date of filing the annual return.
- **Uniform Limitation Period:**
  - Unlike previous laws under Central Excise and Service Tax, which had different time limits for fraud cases, the new GST provision applies a uniform limitation period for all cases, potentially reducing the tendency of tax authorities to allege suppression to extend the time limit for issuing notices.
- **Reduction in Pre-Deposit Amounts:**
  - The maximum pre-deposit required for filing an appeal before the First Appellate Authority has been reduced from Rs. 25 crores to Rs. 20 crores for CGST and SGST cases.
  - For appeals to the GST Appellate Tribunal (GSTAT), the pre-deposit requirement has been reduced from 20% to 10% of the disputed tax, with a maximum of Rs. 20 crores.
- **Changes to Appellate Tribunal Procedures:**
  - Amendments empower the government to designate certain cases, such as anti-profiteering disputes, to be heard exclusively by the Principal Bench of the GSTAT in Delhi, which may necessitate travel for taxpayers.

- **Anti-Profitteering Provisions:**
  - Anti-profitteering cases have been shifted to the jurisdiction of the GSTAT, with the government authorized to set a cut-off date for filing new applications. The Delhi High Court upheld the validity of anti-profitteering provisions.
- **Conditional Waiver of Interest and Penalties:**
  - Section 128A provides for conditional waivers of interest and penalties for cases involving issues other than fraud for the period from July 1, 2017, to March 31, 2020, provided the tax is paid within a specified time. This aims to reduce litigation by offering relief to taxpayers with bona fide disputes.
- **General Implications:**
  - These amendments are aimed at refining the GST system, reducing litigation, and providing clarity and uniformity in the application of GST laws.

### **Rejecting Refund by Relying on Section 34 – High Court Quashes Order**

The Bombay High Court quashed an SGST authority's order rejecting a refund claim by incorrectly applying Section 34 of the CGST Act. The case involved an MNC seeking a refund because an invoice was raised but not paid due to non-compliance with the agreement terms, and the buyer did not claim input tax credit. The court clarified that Section 34, which deals with credit notes, was not relevant as the refund was sought under Section 54. The court ordered the authority to reconsider the refund claim with interest, highlighting frequent misapplications of legal provisions by SGST authorities.

### **No Double Taxation Under Section 129 Prior to 1-1-2022**

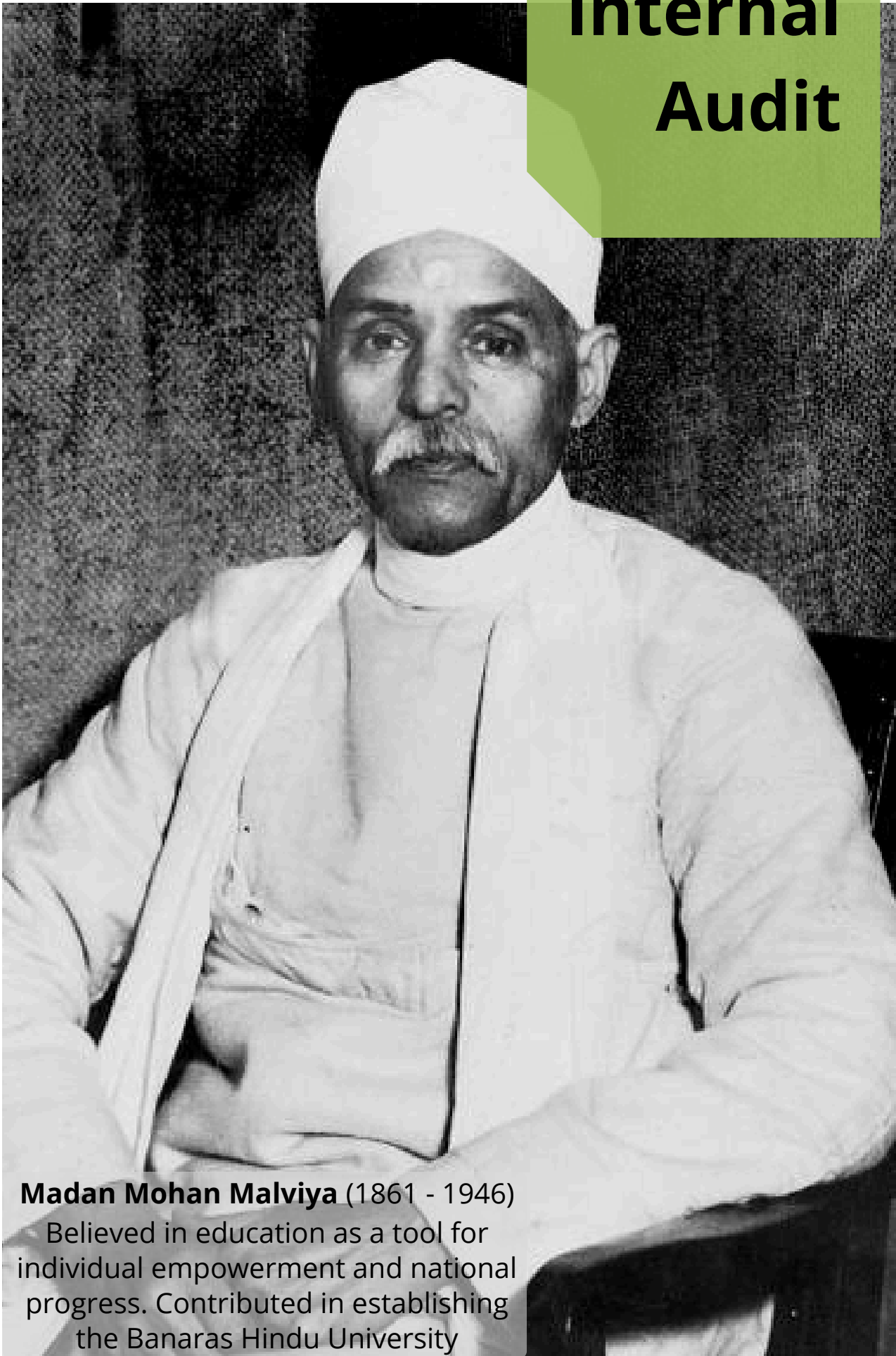
The High Court dismissed a challenge against a CBIC circular alleging double taxation under Section 129 of the CGST Act for periods before January 1, 2022. The court clarified that the provision's intent was to recover tax for goods in transit that failed to meet statutory compliance and did not imply double taxation. After January 1, 2022, amendments to Section 129 focus solely on penalties rather than tax recovery, addressing concerns of double taxation.

### **Delay in Filing Appeal – No Condonation Beyond One Month**

The Andhra Pradesh High Court ruled that delays in filing appeals before the first appellate authority under Section 107 of the CGST Act cannot be condoned beyond the one-month period stipulated. The court reaffirmed that the CGST Act, being a special statute, can exclude the application of the Limitation Act, 1963, emphasizing the strict timelines for appeal processes within the GST framework.



# Internal Audit



**Madan Mohan Malviya** (1861 - 1946)

Believed in education as a tool for individual empowerment and national progress. Contributed in establishing the Banaras Hindu University

## Audit of POSH compliances

### Applicability and Scope

As per the POSH Act, an 'aggrieved woman' in relation to a workplace, is a woman of any age, whether employed or not, who alleges to have been subjected to any act of sexual harassment.

Provide that the definition does not necessitate the woman to be an employee, even a customer/client who may be sexually harassed at a workplace can claim protection under the POSH Act.

The POSH Act is not a gender-neutral legislation and protects only women. Therefore, the safeguards under the POSH Act are not applicable to 'men' victims although employers may choose to extend the protection through their policy.

### Complaints Committee

- **Internal Committee**

The POSH Act requires an employer to set up an 'internal committee' ("IC") at each office or branch, of an organization employing 10 or more employees, to hear and redress grievances pertaining to sexual harassment. Failure to constitute the IC has led to imposition of a fine under the POSH Act which may amounting to Rs. 50,000.

- **Constitution of the I.C**

Presiding Officer	Woman employed at a senior level at the workplace from amongst the employees
Members	Not less than 2 members from amongst employees. Preferably committed to the cause of women or who have had experience in social work or have legal knowledge
External member	From an NGO or association committed to the cause of women or person familiar with issues relating to sexual harassment

NOTE: -

- Not less than half of the IC Members shall be women

- The term of the IC Members shall not exceed 3 years

A minimum of 3 Members of the IC including the Presiding Officer are to be present for conducting the inquiry.



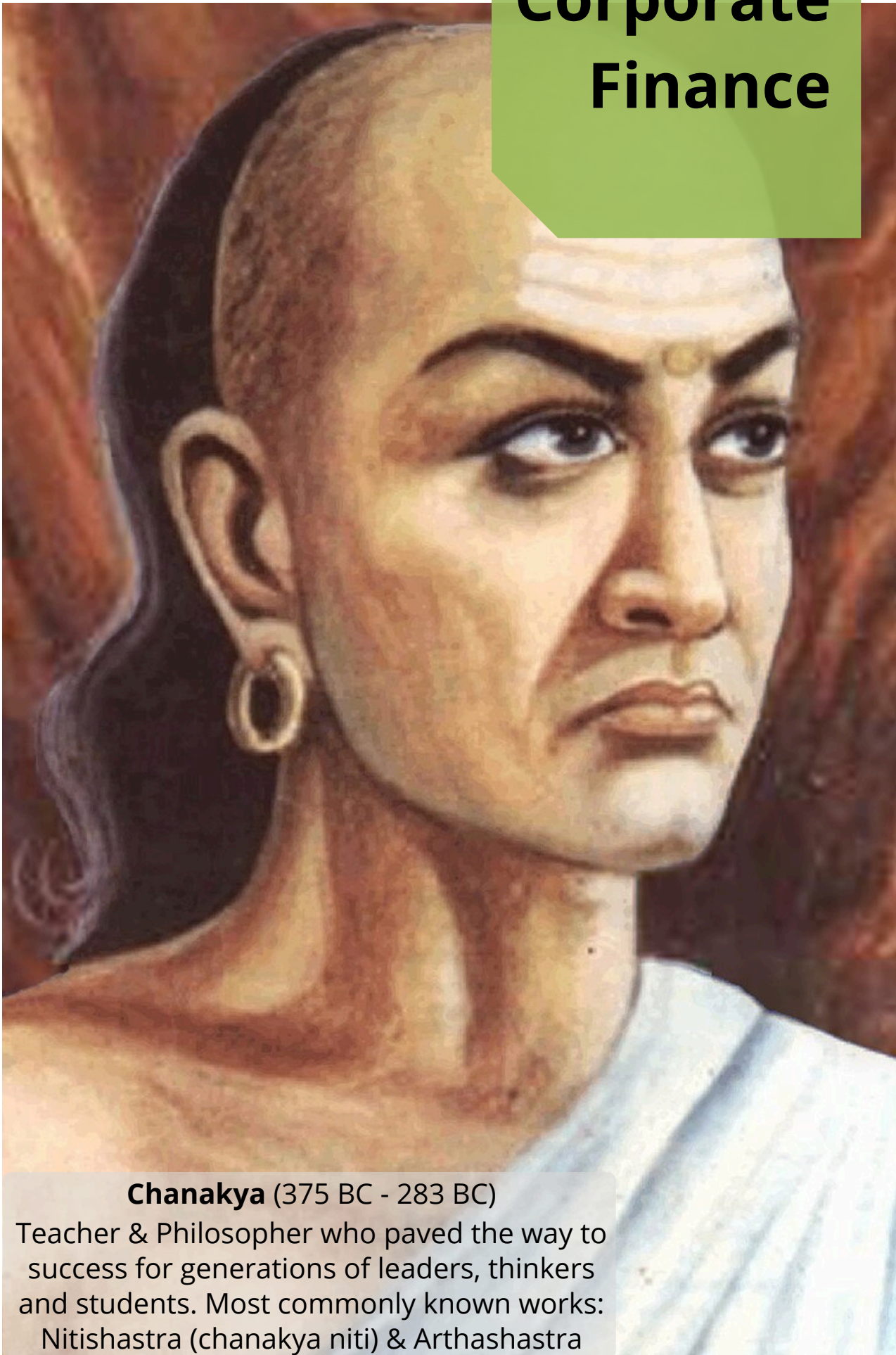
## **Internal Auditor has to check the Employer's Duties and Obligations**

In addition to requiring an employer to set up an IC and ensure redressal of grievances of workplace harassment in a time bound manner, the Internal Auditor has to check whether the organization:

- Is Promoting a gender sensitive workplace and removing the underlying factors that contribute towards creating a hostile working environment against women;
- Provides a safe working environment;
- Formulates and widely disseminate an internal policy or charter or resolution or declaration for prohibition, prevention and redressal of sexual harassment at the workplace;
- Displays conspicuously at the workplace, the penal consequences of indulging in acts that may constitute sexual harassment and the composition of the IC;
- Declares the names and contact details of all members of the IC;
- Organizes workshops and awareness programs at regular intervals for sensitizing employees on the issues and implications of workplace sexual harassment and organizing orientation programs for members of the IC;
- Cause to initiate action, under the Indian Penal Code, 1860 ("IPC") or any other law in force, against the perpetrator, or if the aggrieved woman so desires, where the perpetrator is not an employee, in the workplace at which the incident of sexual harassment took place;
- Provides assistance to the aggrieved woman if she so chooses to file a complaint in relation to the offence under the IPC or any other law for the time being in force;
- Treats sexual harassment as a misconduct under the service rules and initiate action for misconduct;
- Prepares an annual report with details on the number of cases filed and their disposal and submit the same to the District Officer;
- Monitors the timely submission of reports by the IC.



# Corporate Finance



**Chanakya** (375 BC - 283 BC)

Teacher & Philosopher who paved the way to success for generations of leaders, thinkers and students. Most commonly known works: Nitishastra (chanakya niti) & Arthashastra



## **Bharti To Acquire Minority Stake In British Telecom Giant BT For \$4 Bn**

Bharti Global, the international investment arm of Bharti Enterprises would acquire a 24.5% stake in BT which is Britain's leading broadband and mobile company, for \$4 billion (around INR 33,580 crores). The shares will be purchased through Bharti Televentures UK, which is wholly owned by Bharti Global. Bharti Televentures UK has inked an agreement with Altice UK to acquire about 9.99% stake of BT Group's issued capital imminently with the rest about 14.51% of BT's share capital is to be acquired post regulatory clearances. This move will make Bharti which is one of India's biggest conglomerate a key strategic shareholder in BT. It is a strategic deal which is in line with strengthening India-UK ties and offers opportunities on AI, 5G RD and core engineering.

(Source: VC Circle, 12th August 2024)

### **Private Equity**

#### **Innoviti Raises \$8 Mn From Random Walk & Existing Backers**

Innoviti Technologies Pvt. Ltd., which provides a payments-focused retail SaaS platform for enterprise brands and their SME channel partners, has secured \$8.3 million (approximately INR 70 crores) through a combination of equity and debt. The funding round was led by Random Walk Solutions, with contributions from existing investors Bessemer Venture Partners, Patni Family Office, and Alumni Ventures. The company anticipates launching its public offering within the next 12 months.

(Source: VC Circle, 12th August 2024)

#### **EV Maker Kinetic Green Rises \$25 Mn As Part Of Larger Series-A Round**

Kinetic Green, the electric vehicle division of the Kinetic Group renowned for the iconic Luna moped from the 1970s, has secured \$25 million (approximately INR 209 crores) in its inaugural external funding round. The investment was led by global private equity firm Greater Pacific Capital (GPC), utilizing a mix of common equity shares, convertible preference shares, and debentures. Kinetic Engineering will allocate the funds to enhance production capabilities, expand marketing efforts, and bolster distribution channels for its existing product line. Additionally, the company aims to accelerate the growth of its three-wheeler and two-wheeler segments.

(Source: VC Circle, 12th August 2024)

#### **Continuum Green Energy Gets \$150 Mn From AI Gore-Backed Climate Investor**

Renewable energy company Continuum Green Energy Pvt. Ltd has raised \$150 million (around INR 1,256 crores) in equity capital from a climate investment firm backed by former US Vice-president Al Gore's Generation Investment Management. The investment by the UK-based Just Climate will support Continuum's deployment of wind solar hybrid generation and storage projects across India.

(Source: VC Circle, 20th August 2024)

#### **Water Purifying Brand Livpure Raises \$28 Mn**

Livpure, a leading water purification brand, has secured \$27.7 million (approximately INR 233 crores) from M&G Investments, a London-based investment firm, and Ncube Capital Partners, the investment arm of its parent company SAR Group. This funding will enable Livpure to accelerate its category expansion and advance its product development initiatives as it plans to diversify its product range. Established in 2012 by Rakesh Malhotra and Naveen Kapoor, Livpure's portfolio includes water purifiers, subscription-based water solutions, air coolers, kitchen appliances, mattresses, and sleep accessories.

(Source: VC Circle, 21st August 2024)

## JM Financial PE Spices Up Portfolio With Bet On Zoff Foods

Founded in 2018, Zoff is an online platform specializing in spices and dry fruits. With \$4.7 million (approximately INR 40 crores) in funding, it has become the first e-commerce brand to secure investment in the spices sector. The company plans to utilize this capital to broaden its product offerings, including ready-to-cook items, condiments, cooking pastes, and seasoning kits. Additionally, Zoff aims to enhance its offline distribution network by expanding into general trade, modern trade channels, and retail outlets in Tier-2 and Tier-3 towns.

(Source: VC Circle, 21st August 2024)

## Venture Capital

### HouseEazy raises \$7 Mn in Series-A Funding Round

HouseEazy, a marketplace specializing in the resale of homes, has secured \$7 million (approximately INR 58.7 crores) in equity and debt during its Series-A funding round, led by Chiratae Ventures. The round also saw participation from Alteria Capital and Antler. The company intends to utilize the capital to drive growth in new regions within the National Capital Region, bolster its brand presence, expand its team, and enhance its product offerings.

(Source: VC Circle, 26th August 2024)

### Convin raises \$6.5 Mn in Series-A Funding Round

Founded in 2021, Convin is an AI-driven platform that helps businesses improve customer interactions through advanced conversational intelligence. The company has raised \$6.5 million (approximately INR 54.5 crores) in its Series-A funding round, led by Quotient and supported by both new and existing investors. Convin plans to use the funds to expand its core team and enhance its distribution channels.

(Source: VC Circle, 27th August 2024)

### Kreedo raises \$4 Mn in Series-A Funding Round

Kreedo, an early childhood solutions provider based in Bengaluru and established in 2012, has secured \$4 million (approximately INR 33.58 crores) in its Series-A funding round. The round was co-led by Heritas Capital and existing investor UBS Optimus Foundation, with participation from other current investors including Gray Matters Capital, 1Crowd, The Chennai Angels, The Joka Angel Network, and others. The investment will be utilized to enhance Kreedo's product offerings and facilitate expansion into new geographic markets. Top of Form Bottom of Form

(Source: VC Circle, 28th August 2024)

### Laiqa wellness raises \$1.78 Mn in Seed Funding Round

Laiqa Wellness, a Gurugram-based femtech startup specializing in hormonal-pattern-led feminine wellness solutions, has secured \$1.78 million (approximately INR 15 crores) in seed funding from IvyCap Ventures. The investment will support the expansion and advancement of Laiqa's technology-driven solutions, which include personalized hormonal tracking, point-of-care assessments, and AI-driven recommendations that combine modern science with Ayurveda.

(Source: VC Circle, 28th August 2024)

## **The Hive Hostels Secures \$1.4 Mn in Pre-IPO Fundraise**

The Hive Hostels, a provider of student accommodation, has raised \$1.4 million (approximately INR 11.5 crores) from a group of investors in its maiden external funding round. Previously bootstrapped, The Hive Hostels has secured this capital as part of its pre-IPO fundraising efforts. The funds will be used to develop luxury student residences, with plans to go public in the latter half of next year.

(Source: VC Circle, 28th August 2024)

## **Mergers & Acquisitions**

### **EV Charger Maker Exicom To Acquire Tritium For \$30 Mn**

Exicom Tele-Systems Ltd, a domestic manufacturer of electric vehicle chargers, has finalized an agreement to acquire Tritium, an Australia-based DC fast charger company, for \$29.6 million (approximately INR 248 crores). This acquisition will enable Exicom to establish a global presence in the EV charger market, leveraging Tritium's operations in 47 countries. The deal enhances Exicom's international footprint and reinforces its commitment to advancing research and development to foster innovation within the expanding electric vehicle industry.

(Source: VC Circle, 8th August 2024)

### **SaaS Unicorn BrowserStack Buys Bug Reporting Tool Bird Eats Bugs**

Software-as-a-service unicorn BrowserStack, last valued at \$4 billion (around INR 33,580 crores) in 2021, has acquired a Berlin-based advantage bug reporting tool Bird Eats Bug. As a part of the deal, BrowserStack will incorporate European venture capital firm Nauta Capital-backed Bird Eats Bug's capabilities in its ecosystem and launch a mutual testing solution Bug Capture. BrowserStack has committed a total of \$20 million (approximately INR 168 crores) to the deal. The investment includes upfront cash, stock, and future investment for product development.

(Source: VC Circle, 28th August 2024)

### **HCL Tech to acquire French Software Firm**

HCL Technologies has reached an agreement to acquire Zeenea SAS, a software firm based in France, for \$26.20 million (approximately INR 220 crores). This acquisition is aimed at expanding HCL's data and analytics capabilities. It will allow HCL to provide a comprehensive data intelligence solution designed to help enterprises discover, govern, connect, manage, and effectively utilize data in their engineering and GenAI initiatives. The acquisition will be executed through HCL Technologies UK, a wholly-owned subsidiary of the Indian IT leader, and is anticipated to be finalized in September.

(Source: VC Circle, 9th August 2024)

### **Zomato Acquired Paytm's Movie And Events Ticketing Business For \$244 Mn**

Indian food delivery platform Zomato has acquired the movie and events ticketing businesses of digital payments firm Paytm for \$244.2 million (approximately INR 2,048 crores). This strategic move allows Zomato to diversify its offerings beyond food delivery. The acquisition strengthens Zomato's position in India's expansive online ticketing market for movies and live events, a sector currently led by Reliance-backed BookMyShow.

(Source: VC Circle, 21st August 2024)

## Infibeam Acquires Rediff

Infibeam Avenues, a publicly listed payments infrastructure and SaaS company, has acquired a 54.10% stake in Rediff, one of India's pioneering internet firms, for \$2.97 million (approximately INR 25 crores). Rediff, which attracts around 55 million monthly visitors and serves over 5,000 companies with its email services, is valued at \$5.5 million (about INR 46.2 crores) following the acquisition. Additionally, Infibeam will extend an interest-bearing loan of \$2.97 million (around INR 25 crores) to Rediff. This acquisition will provide Infibeam Avenues with valuable insights into user behaviour, preferences, and spending patterns, creating opportunities to cross-sell financial services such as loans, insurance, and investment products.

(Source: VC Circle, 2nd August 2024)



# Transaction & Regulatory Advisory Services



**Swami Vivekananda** (1863 - 1902)

A social reformer & religious teacher.  
His teachings encouraged individuals to break  
free from limitations and recognize their  
inherent potential.

In this edition we have tried to bring you notice the latest amendment that followed in the month of August, 2024 issued by MCA, RBI and SEBI.

### **SEBI UPDATE**

#### **SEBI (Alternative Investment Funds) (Fourth Amendment) Regulations, 2024 (August 06, 2024)**

SEBI vide this notification amended Regulation 13(5) of SEBI (Alternative Investment Funds) Regulations, 2012 by permitting a large value fund for accredited investors to extend its tenure up to five years subject to the approval of two-thirds of the unit holders by value of their investment in the large value fund for accredited investors. However, the extension in tenure of any existing scheme of a large value fund for accredited investors shall be subject to such conditions as may be specified by the SEBI from time to time. Also, the investment conditions for Category I and II of Alternative Investment Funds as provided in Regulation 16(1)(c) and Regulation 17 (c) have also been modified with 'Category I Alternative Investment Funds [Regulation 16(1)(c)]/ Category II Alternative Investment Funds [Regulation 17(c)]/ shall not borrow funds directly or indirectly or engage in any leverage for the purpose of making investments or otherwise, except for borrowing funds to meet temporary funding requirements and day-to-day operational requirements for not more than thirty days, on not more than four occasions in a year and not more than ten percent of the investable funds and subject to such conditions as may be specified by the SEBI from time to time'.

To read more:

<https://tinyurl.com/uy33769c>

### **MINISTRY OF CORPORATE AFFAIRS**

#### **Companies (Registration of Foreign Companies) Amendment Rules, 2024 (August 12, 2024)**

In exercise of the powers conferred by section 381, section 385, clause (a) of section 386, section 389 and section 390, read with section 469 of the Companies Act, 2013 the Central Government has notified Companies (Registration of Foreign Companies) Amendment Rules, 2024 which shall come into force with effect 09th day of September, 2024. MCA has operationalized Central Processing Centre (CPC) for Centralised Processing of Corporate Filings that processes applications in time-bound and faceless manner on the lines of Central Registration Centre (CRC). In order to implement the same amendments are made in Companies (Registration of Foreign Companies) Rules, 2014. As per the amendment, in rule 3, in sub-rule (3) a foreign company within a period of thirty days of the establishment of its place of business in India shall now file with the Registrar, Central Registration Centre Form FC-1 with such fee as provided in Companies (Registration Offices and Fees) Rules, 2014. Accordingly, changes are also made in in rule 8, in sub-rule (1), by inserting the following proviso: "Provided that the documents for registration by a foreign company referred to in sub-rule (3) of rule (3) shall be delivered in Form FC-1 to the Registrar, Central Registration Centre."

To read more:

[https://egazette.gov.in/\(S\(qubbd5aaaoghziuanui0pzmd\)\)/ViewPDF.aspx](https://egazette.gov.in/(S(qubbd5aaaoghziuanui0pzmd))/ViewPDF.aspx)

## **RBI tightens rules for deposit-taking HFCs (August 13, 2024)**

The Reserve Bank of India on August 12, 2024 released revised rules for deposit-taking Housing Finance Companies (HFCs), requiring them to maintain 15% liquid assets against public deposits held by them in a phased manner, up from 13% at present. The new rules, which will be applicable from January 1, are aimed at bringing deposit-taking HFCs on par with Non-Banking Financial Companies (NBFCs), the central bank said.

To read more:

<https://www.financialexpress.com/business/banking-finance-rbi-tightens-rules-for-deposit-taking-hfcs-3581226/>

## **Companies (Indian Accounting Standards) Amendment Rules, 2024 (August 12, 2024)**

In exercise of the powers conferred by section 133 read with section 469 of the Companies Act, 2013, the Central Government, in consultation with the National Financial Reporting Authority, have notified Companies (Indian Accounting Standards) Rules, 2024. According to the amendments following changes are made in Companies (Indian Accounting Standards) Rules, 2015: 1. Indian Accounting Standard (Ind AS) 117 which relates to Insurance Contracts is being inserted to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows. 2. In order to correspond with Indian Accounting Standard (Ind AS) 117, modifications are also made to Indian Accounting Standard (Ind AS) 101, (Ind AS) 103, (Ind AS) 105, (Ind AS) 107, (Ind AS) 109, and (Ind AS) 115.

To read more:

<https://www.mca.gov.in/bin/dms/getdocument?mds=4iwngdxt9oFj%252Bpp05r1EZA%253D%253D&type=open>

## **Miscellaneous Laws**

### **SEBI (Research Analysts) (Second Amendment) Regulations, 2024**

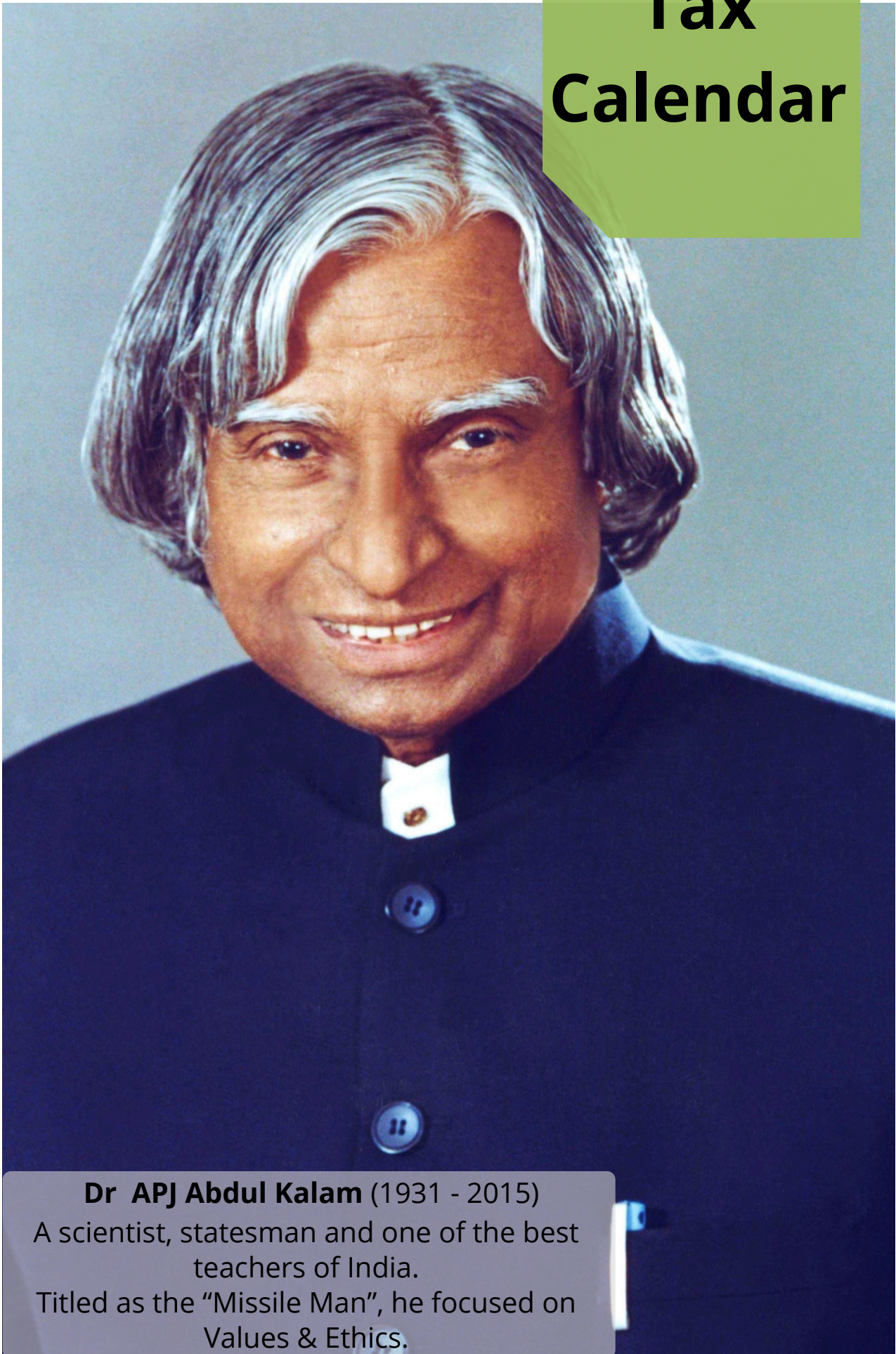
SEBI has notified the SEBI (Research Analysts) (Second Amendment) Regulations, 2024 on August 19, 2024, which shall come into force on the date of their publication in the Official Gazette. Vide this notification, SEBI has prescribed that the Research Analyst will be entitled to charge fees for providing research services from a client including an accredited investor in the manner as specified by SEBI.

To read more:

[https://www.sebi.gov.in/legal/regulations/aug2024/securities-and-exchange-board-of-india-research-analystssecond-amendment-regulations-2024\\_86005.html](https://www.sebi.gov.in/legal/regulations/aug2024/securities-and-exchange-board-of-india-research-analystssecond-amendment-regulations-2024_86005.html)



# Tax Calendar



**Dr APJ Abdul Kalam (1931 - 2015)**

A scientist, statesman and one of the best teachers of India.

Titled as the “Missile Man”, he focused on Values & Ethics.



## September 2024 - Tax Calendar

<b>7TH SEPT</b>	Due date for deposit of Tax deducted/collected for the month of Aug, 2024.
<b>14TH SEPT</b>	Due date for issue of TDS Certificate for tax deducted under <u>section 194-IA</u> , 194-IB, 194M, and 194S in the month of July, 2024
<b>15TH SEPT</b>	2nd instalment of advance tax for the AY 2025-26
<b>30TH SEPT</b>	Due date for furnishing of challan-cum-statement in respect of tax deducted under <u>section 194-IA</u> , 194M, 194IB, and 194S for the month of Aug, 2024
<b>30TH SEPT</b>	Due date for filing of audit report under <u>section 44AB</u> for the assessment year 2024-25 in the case of a corporate-assessee or non-corporate assessee (who is required to submit his/its return of income on October 31, 2024)
<b>30TH SEPT</b>	Application in Form 9A for exercising the option available under Explanation to <u>section 11(1)</u> to apply income of previous year in the next year or in future (if the assessee is required to submit return of income on November 30, 2024)
<b>30TH SEPT</b>	Statement in Form no. 10 to be furnished to accumulate income for future application under <u>section 10(21)</u> or <u>section 11(1)</u> (if the assessee is required to submit return of income on November 30, 2024)
<b>30TH SEPT</b>	Furnishing of Audit report in Form no. 10B/10BB by a fund or trust or institution or any university or other educational institution or any hospital or other medical institution



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