

FinTax Hour
Capital Markets

Regulatory and tax updates for capital markets sector

Critical amendments / clarifications | Regulatory

SEBI circular in relation to performance / return claimed by unregulated platforms offering algorithmic strategies for trading

- Stockbrokers who provide services relating to algorithmic trading shall not:
 - directly or indirectly make any reference to the past or expected future return/performance of the algorithm
 - directly or indirectly associate with any platform providing any reference to the past or expected future return/performance of the algorithm
 - remove any such existing references from their website and/or disassociate themselves from the platforms providing such references, within seven days from the date of circular
- Stock exchanges directed to –
 - take necessary steps and place necessary systems and procedures for implementation of amendments and to make necessary amendments to the relevant bye-laws, rules and regulations for the same
 - bring the provisions of the circular to the notice of stockbrokers and disseminate the same on their website
 - monitor compliance of the circular by taking confirmation from stockbrokers on the above requirements and submit a compliance report to SEBI within 60 days

SEBI circular providing guidelines on seeking NOC by stockbrokers/ clearing members for setting up WOS, step down subsidiaries, JVs in IFSC – GIFT CITY

- To rationalise and streamline the process of applications, SEBI has issued these guidelines. Which inter alia provide the following –
 - The format for application, which broadly seeks general information, undertakings, and needs to be accompanied with the prescribed documents and NOC from all stock exchanges/ depositories where the applicant is a member
 - Stockbrokers and Clearing Members shall apply through a Stock Exchange, where the applicant is a member, along with the required information, documents
 - Stock Exchanges / Clearing Corporations (where the applicant is only clearing member) are directed to forward the complete application to SEBI, after verification along with its recommendation

Critical amendments / clarifications | Regulatory

With a view to liberalize regulatory framework and to promote ease of doing business and based on the feedback received from the stakeholders, the Ministry of Finance and RBI on 22 August 2022 issued new regulatory framework for overseas investments replacing the existing Regulations relating to overseas investment – the new framework is divided into the following:

ODI rules

- Deals with investment in non-debt instruments and acquisition and transfer of immovable property outside India

ODI regulations

- Deals with investments by way of debt instruments, such as pledge, guarantee, charge, mode of payment, reporting requirements, etc.

ODI directions

- Deals with operational instructions of ODI Rules and ODI Regulations

Key changes

- Clarity with respect to various definitions
- Introduction of concept of ODI, OPI and “strategic sector”
- Dispensing with the requirement of approval for deferred consideration, investment/ disinvestment by persons resident in India under investigation by any investigative agency/regulatory body, issuance of corporate guarantees to or on behalf of second or subsequent level step-down subsidiary, write-off on account of disinvestment
- Permissibility of round-trip structures with adequate safeguards
- Introduction of late submission fee for delayed filings

The new regime simplifies the existing framework for overseas investment by persons resident in India to cover wider economic activity and significantly reduces the need for seeking specific approvals and would facilitate ease of doing business -- there are however several complex issues that may require detailed analysis. It may also be relevant to consider the tax implication, inter alia about deferred payment and pricing guidelines.

Critical amendments / clarifications | Tax

CBDT notification – Specifying certain forms, returns, statements to be furnished electronically

- CBDT has notified various forms, which are now required to be furnished electronically – refer **Annexure 1** for the complete list. The one which may be relevant for the capital market players would be –
 - **Form 10F** – which is a declaration to be furnished along with the TRC for claiming tax treaty benefits, where all the requisite details are not included in the TRC
 - **Form 3BB** – which is a monthly statement to be furnished by a Stock Exchange in respect of transactions in which client codes have been modified after registering in the system
 - **Form 28A** – intimation to the tax officer relating to payment of advance taxes by order of tax officer
 - **Form 27C** – declaration under section 206C(1A) to be made by a buyer for obtaining goods without collection of tax

CBDT notification – insertion of Rule 40G and Form No. 29D for claiming refund of certain withholding taxes by the payer

- By way of a background, Finance Act, 2022 has inserted a new section 239A (w.e.f. 1 April 2022) to provide that a payer who has withheld tax under section 195 on income (other than interest) under an agreement or arrangement and has borne the tax liability, when no tax was required to be withheld, may file an application for refund of such taxes withheld before the tax officer
- As per section 239A, the application form was to be prescribed, which has now been prescribed by the CBDT vide the aforesaid Notification, by inserting Rule 40G and notifying Form No. 29D for the purpose of claiming refund under section 239A
- The application has to be accompanied by the relevant agreement / arrangement and other prescribed details (such as details of transaction, reasons for non-applicability of withholding taxes, whether any refund granted in earlier 3 years)

Judicial precedents

Taxation on converting CCDs into equity

Facts of the case

- The taxpayer issued certain equity shares of face value of INR 10 each at a premium to various parties such as venture capital funds, non-residents and other angel investors (such issue also included conversion of CCDs issued in earlier FYs)
- The AO held that (i) the issue of equity shares was made over and above the FMV, (ii) applying the provisions of Rule 11UA, as per the Net Asset Value method /Book Value method [NAV], the FMV was computed at a negative value. Thereby, treating the FMV as Nil, made an addition of the entire issue price of equity shares under section 56(2)(vii)(b) as income from other sources [IFOS]

Decision

- ITAT held that section 56(2)(viib) envisages a wider outlook to the 'receipt of any consideration' which could not be limited only to the receipt of money.
- The taxpayer's contention that the provisions of section 56(2)(viib) did not apply as there was no receipt of consideration upon conversion of CCDs into equity shares was within a restricted and very narrow window of looking at only 'receipt of money' and thus, was not acceptable.
- The provisions of section 56(2)(viib) applied in the present case which involved receipt of consideration by the taxpayer on conversion of CCDs into equity shares. The ITAT has also provided an indicative list of the "considerations" which a taxpayer "receives" on the conversion of its CCDs into equity shares.
- In view of the above, the taxpayer was in receipt of consideration on conversion of CCDs into equity shares to which the provisions of section 56(2)(viib) were applicable.

Judicial precedents

Disallowances of penalty paid to the stock exchange

Facts of the case

- The Taxpayer is engaged in the business of the share broking and trading in shares and securities and required to maintain margin money with the Stock Exchange. Whenever margin money falls short, the taxpayer has to make good the same immediately, failing which, the Stock Exchange levies the penalty.
- The assessee has paid a penalty to the Stock Exchange for shortfall in maintenance of such margin money, which was claimed a deductible.
- The AO disallowed the same holding that it is not allowable as deduction under section 37(1) being a penalty. The CIT(A) also confirmed the same.

Decision

- ITAT observed that penalty charged by SEBI is related to shortfall in the margin money and cannot be considered as penalty for violation of any law falling within the ambit of proviso to section 37(1).
- Based on judicial precedent, the ITAT held that said amount paid by the taxpayer to SEBI in respect of penalty for shortfall of margin money is allowable as a deduction.

Point to note: Finance Act 2022, has inserted an explanation to inter alia clarify that deduction will not be allowed for expenditure incurred for a purpose that is an offence under any law; or for compounding of an offence under any law

Polling question 1



What should the reporting by Stock Exchanges / Clearing houses / Registrar of capital gains on transfer of listed securities or units of mutual funds be on?

- Capital gains
- Sale consideration
- No reporting should be made as the amounts are not reconcilable
- Reporting should be of the quantity sold and not the value sold



Transfer pricing updates for capital markets sector

Judicial precedents – Broking transactions

Internal CUP over TNMM in case of international transaction of provision of broking services rendered to group FPI (Mumbai-Tribunal)

Facts of the case

- The taxpayer provided broking services to related parties (AEs) as well as unrelated parties (Non-AEs). One category of broking services was Delivery Verses Payment (DVP) and other was Direct Custodian Settlement (DCS).
- The taxpayer adopted Transactional Net Margin Method (TNMM) as the most appropriate method for benchmarking the broking services provided to its related parties.
- The TPO indicated that since the taxpayer had provided services to both related as well as non-related parties, internal CUP was available and therefore TNMM cannot be applied.
- The taxpayer contended that CUP method cannot be applied as substantial differences existed in the functions undertaken and risks assumed by the taxpayer while providing broking services to related vis-à-vis unrelated parties, and consequently the taxpayers incurs additional costs, viz. marketing and research cost, in providing broking services to unrelated parties in comparison to related parties.
- The taxpayer argued that even if internal CUP is adopted, then adjustment for additional costs incurred for marketing and research functions should be permitted.
- The taxpayer also had submitted working of additional cost incurred for providing the additional services to the unrelated parties and contended that the same be reduced from the brokerage rate charged to unrelated parties to arrive at the adjusted comparable brokerage rate.
- The TPO allowed adjustments on brokerage rates charged to unrelated parties for DCS trades on account of additional costs incurred by taxpayer. However, the TPO denied the adjustments for additional costs for DVP trades and proposed a TP adjustment.
- The CIT(A) upheld adoption of CUP as per the TPO's order. However, the CIT(A) granted adjustments to CUP on account of additional costs incurred by the taxpayer for DVP trades for unrelated parties and deleted TP adjustment made by TPO.

Decision

- The ITAT held that TNMM cannot be applied in case of availability of internal CUP, thereby upholding the observations of the CIT(A).
- The ITAT also held that the taxpayer should be allowed the relief as per difference in services rendered to related vis-à-vis unrelated parties and allowed adjustments to CUP on account of additional costs, viz. marketing and research cost, incurred in providing broking services to unrelated parties.

Judicial precedents – Broking transactions

TNMM over internal CUP if services provided to Non-AE FPI clients are much broader than that provided to AE FPI clients (Mumbai-Tribunal)

Facts of the case

- The taxpayer provided equity broking services to FPI clients, which included both related and unrelated party clients.
- The taxpayer adopted TNMM as the most appropriate method to benchmark the broking services.
- During assessment proceedings the TPO observed that the brokerage commission charged to unrelated FPIs was more than the brokerage commission charged to related parties.
- The TPO placed reliance on the landmark case judgment (as discussed above) and proposed adjustments to the ALP by applying internal CUP method.
- DRP upheld adoption of the CUP method and confirmed the adjustments made by the TPO.

Decision

- The taxpayer contended that for unrelated FPI clients, they were required to provide a broader range of services viz-a-viz services to related FPI clients, such as marketing and international sales support.
- The taxpayer could not have generated business from FPI clients without the support of group resources. Thus, the taxpayer was dependent on the overall group resources for which it paid intra group service charges.
- The taxpayer contended that TNMM was the correct method for its facts and internal CUP would entail ad hoc adjustment to price.
- The ITAT held that the operating model of the taxpayer was not comparable to the facts of the landmark judgment. To follow the landmark judgement, adjustments to the cost structure of the taxpayer would need to be made.
- Given the facts of the case, ITAT accepted TNMM as the most appropriate method for benchmarking the broking services thereby setting aside the order of DRP and directed the TPO to delete the adjustment of brokerage income.

Judicial precedents – Broking transactions

Internal CUP over TNMM in case of international transaction of provision of broking services rendered to group FPI (Mumbai-Tribunal)

Facts of the case

- The taxpayer was providing broking services to its group FPIs based in Mauritius.
- The taxpayer adopted TNMM as the most appropriate method for benchmarking the broking services to its group FPIs.
- The taxpayer contended that services to its group FPI was not comparable to services to unrelated FPIs
- The taxpayer undertook marketing function for its unrelated FPI clients, not required for services rendered to its group FPIs.
- The TPO contended that since the taxpayer had prevailing market rates available for broking services, given availability of CUP, TNMM cannot be applied
- Thus, TPO adopted CUP and proposed a TP adjustment after allowing adjustments for expenses incurred on account of travelling, communication, membership and subscription.
- The CIT(A) upheld adoption of CUP as per TPO's observation. However, the CIT(A) re-computed the brokerage rate charged by the taxpayer by allowing benefit of adjustments towards salary costs of equity sales and equity research personnel but rejected taxpayer's contentions for volume adjustments.

Decision

- The ITAT upheld adoption of CUP method on the premise that (i) TNMM is not MAM as there is a clear market rate prevailing for broking services (a percentage of the trade undertaken), (ii) that in case of availability of internal CUP, TNMM cannot be applied as CUP is the most direct method and, hence, preferable to all other methods which determine arm's length price in an indirect manner and (iii) the comparable cases considered by taxpayer under TNMM are not engaged in similar functions.
- The ITAT rejected adjustments to CUP on account of volume, thereby upholding CIT(A)'s decision.
- The ITAT further held that taxpayer's domestic unrelated party transactions would not be comparable with overseas FPIs on account of geographic differences

TP issues and challenges

Comparability analysis - Research and marketing expenses incurred on broking commission earned from non AEs vis-à-vis AEs.

- Differential services to related and unrelated party clients, typically on account of research and marketing support services
- Consequential additional costs incurred for unrelated clients do not support similar brokerage rates being charged to related and unrelated clients.
- Taking this into consideration, adjustments should be allowed to account for the differences in service offerings (and costs incurred) for related vis-à-vis unrelated clients; such as volume of business, level of marketing activity, research support and the level of risks involved.
- Judicial precedents have given a mixed response to such adjustments, adjustments on account differential volume of transactions have typically not been accepted.

Intra-group services

- Most MNEs have regional hubs for providing centralized support services such as marketing, research, IT, international sales etc. to support their group entities.
- Tax authorities evaluate the arm's length nature of the intra-group service charges. The primary challenges in assessing the pricing of intra-group services are: (1) Receipt and benefit test; and (2) Arm's length Price including allocation of costs supported by end to end robust documentation.

Free of cost softwares / tools

- Identify any FOC assets / services being supplied to the Indian entity.
- Evaluate implications keeping in mind entity characterization and inter-company remuneration model.
- Assess arm's length value of such FOC assets / services.
- TP and GST implications typically aligned – a charge required for TP purposes could be adopted for GST valuation.

Polling question 2



What method do you usually adopt as the most appropriate method to benchmark income from broking services rendered by you to your group companies?

- Transactional net margin method
- Comparable uncontrolled price method
- Profit-split method
- Any other method



Indirect tax clarifications

Critical clarifications / amendments

Charges levied by SEBI shall no longer be exempt w.e.f 18 July 2022

- The GST Council in its meeting held on June 28/29 recommended to withdraw the exemption granted to services by SEBI.
- Accordingly, all the Market Infrastructure Institutions, Companies and other intermediaries shall have to bear 18% GST on fees and other charges payable to SEBI.

Whether stamp duty or securities transaction tax or other Central or State taxes shall form part of value of supply by a stock broker for the purpose of levy GST

- GST is not payable by the stock brokers on these recoveries as long as the conditions of pure agent as provided in Rule 33 of the CGST Rules, 2017 are met.
- If not, then the same shall form part of value of supply for levying GST.

Can the stock broker continue to issue bills and contracts under the normal Stock Exchange mechanism and issue a monthly tax invoice for the purpose of Goods and Services Tax

- The stock broker can issue bills and contracts under the normal Stock Exchange mechanism mentioning the GST amount but will have to issue a tax invoice as envisaged under Section 31(2) of the CGST Act, 2017.

What will be the “place of supply of services” in case of stock brokers

- The details of the address of the client are required to be updated with the Stock Exchange as part of the “Unique Client Code” details.
- Therefore, in case of domestic supplies of such services, address on record with the stock brokers shall be the “location of the recipient of services”
- However, in cases where the location of the recipient is outside India, the place of supply shall be the location of intermediary.

Critical clarifications

Would sub-brokers/ Authorized Persons fall in the definition of “agent” ? What would be the registration requirement for them in the context of GST?

- A “sub-broker” means “any person, not being a member of stock exchange, who acts on behalf of a stock broker as an agent or otherwise for assisting the investors in buying, selling or dealing in securities through such stock brokers”.
- It is, therefore, apparent that the sub broker may not only be providing services to the stock broker but may also be providing services to the clients and receiving consideration from both.
- Thus, he would be duly covered by the definition of “agent” as provided in GST law.

Will brokerage earned from the clients who are not resident in India qualify as “export of service”

- The stock broker being an intermediary, this situation shall be covered under the provisions of section 13(8)(b) of the IGST Act, 2017 which provides that the place of supply shall be the location of the supplier of services.
- Thus such a supply shall be subject to CGST+SGST being the intra-state supply.

Would the Funds received from the clients as margin money for trade be treated as consideration for GST purpose?

- In the context of stock broking, funds/ securities are provided by the clients to the stock brokers in advance of the potential orders/ trades that would lead to margin/ settlement obligations.
- All such advances will fall in the category of deposit under the proviso to section 2(31) of the CGST Act, 2017 and thus will not be considered as payment made for such supply unless the stock broker applies such deposit as consideration for the said supply in his books of accounts.

Critical clarification with relevant advance ruling

Is GST leviable on interest/ delayed payment charges charged to clients for debit for settlement obligations/ margin trading facility

- Any interest/ delayed payment charges charged for delay in payment of brokerage amount/ settlement obligations/ margin trading facility shall not be leviable to GST.
- Since settlement obligations/ margin trading facilities are transactions which are in the nature of extending loans or advances and are covered by entry No. 27 of the exemption notification for services.

Taxability of delayed payment charges - SPFL Securities Ltd (GST AAAR Uttar Pradesh)

Facts of the case

- The applicant is engaged primarily in the business of providing service of stock broking.
- The issue involved is whether the applicant is liable to pay GST on the Delayed payment of charges which are overdue from the client towards trading of securities and reimbursed to them.

Decision

- The nature of the delayed payment charges are being collected where the client makes delay (i.e. beyond T+1) in reimbursing the expense (being purchase consideration of the securities bought for client).
- It is purely a deferment of liability only which arose since the payment was not made within the stipulated period of time by the client to the Stock Exchange for purchase of Securities.
- Since the service of buying and selling of securities which is exempted under GST, the corresponding delayed payment charges which are also linked to the above service of trading of securities should also stand exempt under GST.

Polling question 3



Should the GST paid to the stockbroker be allowed as input tax credit for corporate investors in securities market?

- Yes
- No
- Not sure



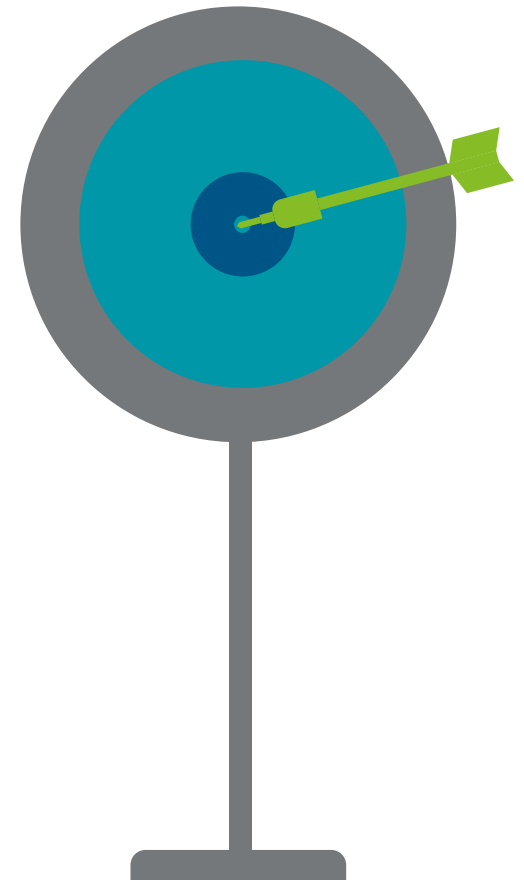
IFSC and capital market intermediaries

International Financial Services Center - What is there for capital market intermediaries

Intermediaries allowed to set up operations In IFSC for rendering Financial services relating to securities market

Indirect tax benefits extended to financial service intermediaries located in IFSC in budget 2021

- No GST on the services received by a unit in IFSC (zero rated – if used for authorized operations – specifically mentioned in IGST Act)
- No clarity on the services provided to IFSC / SEZ units, Offshore clients (No official notification issued in GST law as yet)
- GST applicable on services provided to Domestic Tariff Area



Cloud in capital markets

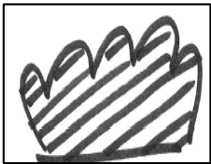
What is Cloud?

Cloud computing is Web based processing, whereby shared resources, software, hardware/infrastructure and information are provided to computers and other devices (such as smart phones) on demand over the internet and billed based on consumption

It is a style of computing where massively scalable IT-related capabilities are provided “as a service” across the internet



Three types of Cloud



PRIVATE

This is where what you are using is 100% dedicated to your company. No one else can access



PUBLIC

This is a 100% shared environment with other companies who also subscribe to similar services. The other companies do not have access to your data, yet the environment supporting you and others operates like a utility



HYBRID

This is where some parts of the solution are dedicated solely for your use, and other parts are shared

Why Cloud?

Cloud benefits closely align with Organization's Strategic Priorities and drives Business Transformation



Cost

- Reduces TCO
- Lowers capital requirements
- Increases automation
- Capex to Opex



Innovation

- Alleviates time spent on non-differentiation activities
- Improves analytics, machine learning, collaboration tools, and usability



Growth

- Provides scalability (pay-as-you-go, pay-as-you-grow)
- Reduces the burden of entry into new markets or offerings



Standardisation

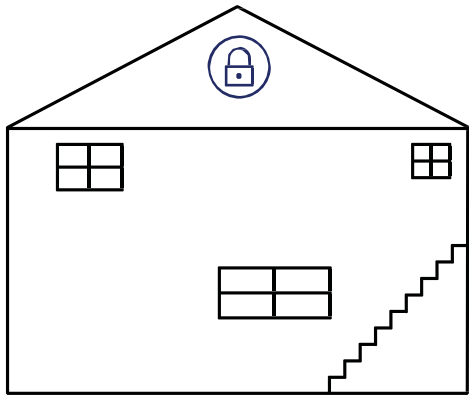
- Drives standardization and faster business adoption
- Enhances ability to focus on the core business
- Democratisation



Agility

- Accelerates introduction of new capabilities
- Improves business agility with faster time to market
- Access from anywhere

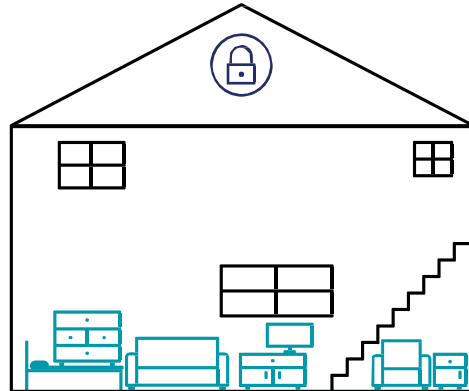
Life inside Cloud – “as a service” models



1

Infrastructure as a Service (IaaS)

You rent a foundation and structure that's owned and maintained by a technology provider whose sole focus is infrastructure development – that's **Infrastructure as a Service**. What you rent is kept current, fast and functioning



2

Platform as a Service (PaaS)

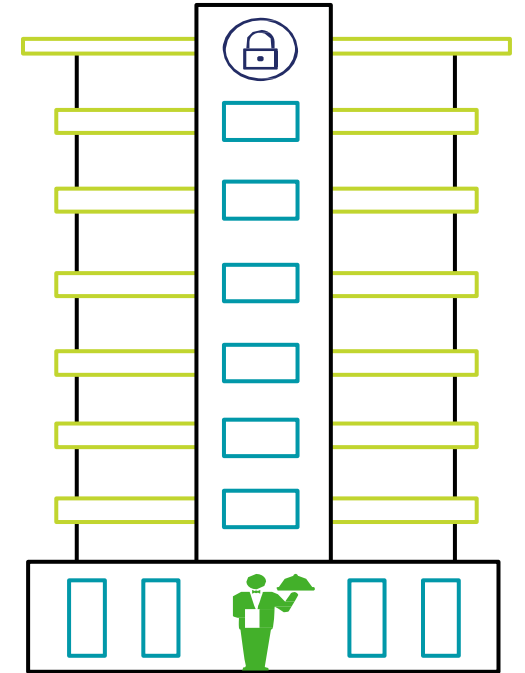
You rent the platform (akin to fixtures and furnishings) that defines what you can do with apps to suit your needs at a given moment – that's **Platform as a Service**. You get the latest capability and are never stuck with what was built last year or even last week



3

Software as a Service (SaaS)

You rent fully configured spaces designed to accomplish certain tasks -- that's **Software as a Service**. Rent the spaces you need, whenever you need them and scale what those spaces can accommodate on demand



4

Business Process as a Service (BPaaS)

If you don't want to own it, let someone else provide the full “hotel” experience for you – that's **Business Process as a Service**. You rent the end-to-end management of a process, such as payroll, via cloud-based applications, so they're always best in class

Lower upfront costs, plus increased agility and speed to market.

Financial service providers – Cloud success stories

Financial security firms, investment banking companies, stock exchanges and other financial services organizations are adopting the power of cloud to redefine business models, enhance customer experience and achieve operational excellence for the businesses.

Born in cloud Indian Securities firm

- Dynamically scales to support millions of users on its platform on public cloud
- Reduced processing time from hours to minutes

Leading India based securities firm

- Adopted a multi-cloud strategy to modernize legacy platforms
- New app/platform development are cloud native
- Digital transformation focus throughout the trading lifecycle

Post Trade Financial Services Company

- Transformed trade processes and analytics with Public Cloud
- Achieved scalability with processing 100 million transactions per day
- Resilient and secured cloud infrastructure supported the transformation agenda

Investment Management Firm based out of U.S

- Accelerated the pace of innovation by moving to cloud
- Achieved robust security standards by adopting 150 security controls
- Achieved ~30% reduction in compute and build costs

One of the World's Leading Private Investment Management Firm

- Adopted the strategy to exit all its physical Data Centers by 2019
- Migrated its commercial and custom developed trading applications to cloud thereby improving resiliency and scalability

Global Investment Banking, Securities & Asset Management Firm

- Transformed the global supply chain and procurement process leveraging the power of cloud
- Enhanced security of customer data in a regulated industry
- Reduced data extraction time by eliminating ETL process for third party data

A US based Investment Firm

- Developed a cloud-enabled payments solution within 6 months of conceptualization
- Resilient architecture to manage spike in payment volumes
- Achieved stellar customer experience ratings

Leading Stock Exchange based out of Europe

- Reduce TaT for high volume activities through new age technologies (e.g., Artificial Intelligence)
- Enhanced market surveillance with minimal manual intervention

Source

[Nasdaq Case Study \(amazon.com\)](https://www.nasdaq.com/story/1448104244535362422-bny-mellon-banking-capital-markets-azure)

<https://www.lseg.com/careers/who-we-are/life-lseg/head-cloud>
Financial Services Capital Markets - Amazon Web Services

https://aws.amazon.com/solutions/case-studies/innovators/goldman-sachs/?did=cr_card&trk=cr_card

https://d1.awsstatic.com/case-studies/PDF%20Case%20Studies/Morningstar_AWS_Case_Study.pdf

<https://customers.microsoft.com/en-us/story/1448104244535362422-bny-mellon-banking-capital-markets-azure>

Polling question 4



Have tax implications been considered in the cloud adoption strategy by businesses?

- Yes
- No
- Somewhat
- Not sure



Tax considerations for cloud computing

Cloud and Tax

Illustrative list of tax considerations

Direct Tax

- Shift from Cap-ex to Op-ex spending
 - capital vs operating expenditure - tax impact
- Contract with third party cloud service provider - characterization of payment and related withholding tax considerations
- Interco arrangements for the use of the pooled cloud solutions – Withholding tax impact (including section 194R impact)
- Issues around taxable presence / permanent establishment and related considerations for Indian companies
- Tax Automation opportunities

Transfer Pricing

- Evaluate changes in TP policy pursuant to migration to the Cloud and consideration of local regulations
- Implementation of operational transfer pricing in order to integrate TP policies with daily operations. Improve integrity of inter-company accounting, increase operating efficiencies & reduce risks
- Intangibles /IP related aspects
- In the new operating structure identify potential issues on account of nil taxation or double taxation in any jurisdiction

Indirect Tax

- GST Laws treat digital transactions as OIDAR i.e. Online Information Database Access & Retrieval. However, it needs to be evaluated on case to case basis which type of digital transaction shall qualify to be an OIDAR as defined in IGST Act.
- The current rate of GST is 18% on OIDAR services. However, the manner of levy of GST would depend on whether the supplier is based in India or is based outside India.
- When the services are provided to a non-taxable online recipient, it will be essential to determine the location of such recipient
- If an intermediary located outside India arranges or facilitates the supply of such service he would also be required to get registered for GST in India in all circumstances except certain specified circumstances

Annexures

Annexure 1

Forms, returns, statements, reports etc., to be furnished compulsorily electronically –

Sr. No.	Description	Form
1	Annual Compliance Report on Advance Pricing Agreement	3CEF
2	Information to be provided under section 90(5) or section 90A(5) of the ITA2	10F
3	Certificate of the medical authority for certifying 'person with disability', 'severe disability', 'autism', 'cerebral palsy' and 'multiple disability' under sections 80DD and section 80U [relating to deductions from total income to be claimed in certain cases).	10IA
4	Monthly statement to be furnished by a Stock Exchange in respect of transactions in which client codes have been modified after registering in the system.	3BB
5	Monthly statement to be furnished by a Recognized Association in respect of transactions in which client codes have been modified after registering in the system.	3BC
6	Audit report under Rule 17CA(1) of Rules in the case of an electoral trust	10BC
7	Authorisation for claiming deduction in respect of any payment made to any financial institution located in a Notified jurisdictional area.	10FC

Annexure 1

Forms, returns, statements, reports etc., to be furnished compulsorily electronically –

Sr. No.	Description	Form
8	Intimation to the Assessing Officer (AO) under section 210(5) regarding the Notice of demand under section 156 of the ITA payment of advance tax under section 210(3)/210(4) of the ITA [relating to payment of advance taxes by order of AO]	28A
9	Declaration under section 206C(1A) of the ITA to be made by a buyer for obtaining goods without collection of tax .	27C
10	Report to be submitted by a public sector company, local authority or an approved association or institution under section 35AC(5)(ii) of the ITA to the National Committee on a notified eligible project or scheme. [relating to deduction of certain expenditure on certain eligible projects or schemes]	58D
11	Report to be submitted section 35AC(4)(ii) of the ITA to the National committee by an approved association or institution. [relating to deduction of certain expenditure on certain eligible projects or schemes]	58C
12	Form of application under section 270AA(2) of the ITA [relating to application to AO for grant of immunity from penalty or prosecution]	68



Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as “Deloitte Global”) does not provide services to clients. Please see www.deloitte.com/about for a more detailed description of DTTL and its member firms.

This material is prepared by Deloitte Touche Tohmatsu India LLP (DTTILLP). This material (including any information contained in it) is intended to provide general information on a particular subject(s) and is not an exhaustive treatment of such subject(s) or a substitute to obtaining professional services or advice. This material may contain information sourced from publicly available information or other third party sources. DTTILLP does not independently verify any such sources and is not responsible for any loss whatsoever caused due to reliance placed on information sourced from such sources. None of DTTILLP, Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the “Deloitte Network”) is, by means of this material, rendering any kind of investment, legal or other professional advice or services. You should seek specific advice of the relevant professional(s) for these kind of services. This material or information is not intended to be relied upon as the sole basis for any decision which may affect you or your business. Before making any decision or taking any action that might affect your personal finances or business, you should consult a qualified professional adviser.

No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person or entity by reason of access to, use of or reliance on, this material. By using this material or any information contained in it, the user accepts this entire notice and terms of use.