EXCHANGES TO REPORT ELIGIBLE TRANSACTIONS ANNUALLY

CBDT's crypto reporting norms to aid transparency

SHUBHAM RANA
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THE NEW GUIDANCE norms by the Central Board of Direct Taxes (CBDT) on the adoption of the Crypto-Asset Reporting Framework (CARF) provide operational clarity and will bring in transparency, experts said.

The CBDT has issued a guidance note for the adoption of the CARF, developed by the Organisation for Economic Co-operation and Development (OECD) to extend global tax transparency standards to crypto-asset activities.

The note gives guidance for Reporting Crypto-Asset Service Providers (RCASPs) for compliance with the reporting obligations under section 509 of the Income-tax Act, 2025, and under Rules 241 to 244 and Form 167 of the Income-tax Rules, 2026.

GREY AREA

- The Crypto-Asset Reporting Framework (CARF) is developed by the Organisation for Economic Co-operation and Development (OECD) to extend global tax transparency standards to crypto-asset activities
- Experts said this is only a reporting compliance update, not a regulatory measure
- In India, cryptocurrency is a grey area with no govt policy on banning or regulating such assets
- According to reports, the Reserve Bank of India recently called for a policy banning cryptocurrency

"The guidance note is a timely step in operationalising India's crypto-asset reporting framework and is aligned with the OECD's CARF standards," said Richa Sawhney, partner - Tax, Grant Thornton Bharat. Sawhney said the note provides practical guidance to RCASPs on their obligations under the Income-tax Act and Rules, and addresses the key facets of implementation, including scope, due diligence, reporting requirements, filing process and penalties.

Under the CARF, crypto exchanges are required to report eligible crypto transactions annually. Experts said this is only a reporting compliance, not a regulatory measure. "Importantly, it is a tax transparency and information-reporting measure, not a broader regulation of the legitimacy or permissibility of crypto-asset transactions," Sawhney said.

In India, cryptocurrency operates in a grey area with no government policy on either banning or regulating such assets. According to reports, the Reserve Bank of India recently called for a policy banning cryptocurrency.

CBDT Chairman Ravi Agrawal said in the guidance note that India's commitment to combating tax evasion and protecting its revenue base has remained steadfast.

NHAI secures ₹46-cr order by tribunal for ₹3,177-cr claim

THE NATIONAL HIGHWAYS Authority of India (NHAI) has successfully defended a ₹3,177 crore claim filed by a concessionaire of a road project with the Arbitral Tribunal allowing only claims worth ₹46 crore.

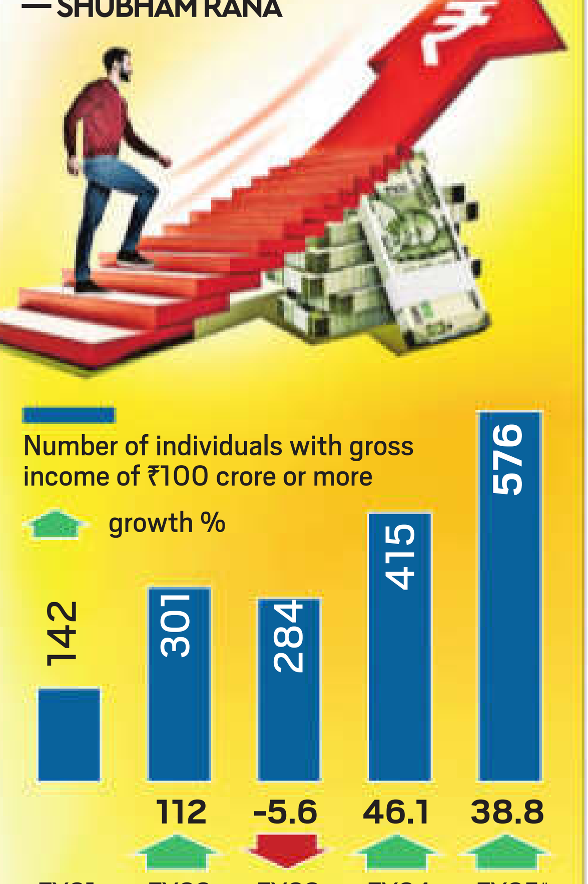
The case involved Bareilly Highways Project (BHPL), a concessionaire promoted by Era Infra Engineering for the 151 km long Bareilly – Sitapur BOT (Toll) project in Uttar Pradesh which was terminated by NHAI in May 2019. The three-member Arbitral Tribunal examined claims and counterclaims arising out of the concession agreement for the project.

The Concessionaire had raised 30 claims aggregating to around ₹3,177 crore. After detailed consideration, the tribunal allowed only three claims amounting to ₹46 crore plus applicable interest, while rejecting the majority of the claims.

The Arbitral Tribunal substantially upheld the position of NHAI, thereby safeguarding public resources and reaffirming the contractual framework governing National Highway projects, a statement by NHAI said. —FE BUREAU

FOURFOLD SURGE IN PEOPLE WITH ₹100-CR+ INCOME

THE NUMBER OF individuals with gross total income of ₹100 crore or more have increased four-fold in the five years through FY25, the finance ministry told Lok Sabha on Monday. In FY25, 576 individuals reported gross total income of ₹100 crore or more, compared with 415 in the previous fiscal, an y-o-y growth of 39%. In contrast, India's real GDP grew 7.1% in FY25, nominal GDP by 9.7%.
— SHUBHAM RANA



*Figures based on FY12 GDP series
*Assessment year 2025-26

Uttar Pradesh targets 10% of country's new GCCs

UTTAR PRADESH IS aiming to emerge as India's next major Global Capability Centre (GCC) hub by attracting nearly 10% of all new GCCs established in the country, a senior state government official said on Monday. —PTI