

A black and white photograph of a hand tearing a piece of white paper, revealing a cityscape with buildings and a street. The image is overlaid with large, diagonal geometric shapes in shades of blue and black.

# ASC TIMES NEWSLETTER

Volume 9, JUNE 2022

# INDEX

- 1 Message from Director
- 2 Compliance Calendar - June, 2022
- 3 Key Indian News Highlights
- 4 Circulars & Notifications:

#### Income Tax

- Circular regarding use of functionality under section 206AB and 206CCA of the Income-tax Act, 1961
- Income-tax (Fifteenth Amendment) Rules, 2022
- Income-tax (Thirteenth Amendment) Rules, 2022
- Faceless Penalty (Amendment) Scheme, 2022

#### Ministry Of Corporate Affairs

- Clarification on Passing of Ordinary and Special Resolution on account of Covid-19 and Holding of AGM through Video Conferencing
- Relaxation in Paying Additional Fees up to 30th June in case of Delay in Filing Form-11 (Annual Return) for LLP
- Relaxation in Paying Additional Fees up to 30th June in case of delay in filing various event-based e-forms of LLP that are due from 25th February 2022 to 31st May 2022

#### RESERVE BANK OF INDIA

- New Definition of Micro, Small and Medium Enterprises - Clarification
- Maintenance of Cash Reserve Ratio (CRR)
- Kisan Credit Card Scheme - Eligibility criteria for farmers engaged in fisheries/ aquaculture
- Housing Finance - Loans for repairs/additions/alterations - Enhancement of limits

- 5 Indo- Japan News
- 6 Internal Publication
- 7 Quote of the Month

# MESSAGE FROM DIRECTOR

Dear Readers,

We are delighted to release our Monthly newsletter 'ASC TIMES' - June Edition considering the rigorous demand from our eminent readers. I would like to take this opportunity to present the Volume-9 of our monthly newsletter. ASC Times summarizes all the business-related news & government updates like imparting relevant information, press releases, notifications, periodic updates, etc. to keep you updated with things affecting the business as a whole.

This newsletter is designed as a comprehensive knowledge-sharing initiative focused on updating you with all the monthly updates covering Income Tax Act 1961, Company's Act 2013, Foreign Exchange Management Act (FEMA), Customs, etc.

ASC Group, continues to be the leader for financial, secretarial, legal & management advisory for more than 25 years of industry experience operating out of 9 offices globally. Our team of 300+ professionals consists of experienced Chartered Accountants, Company Secretaries, Lawyers, Investment Advisors, and Management Consultants who continuously contribute towards the ease of doing business across the world.

We as ASC always believe in strengthening the relationship between us and share timely and insightful editions.

ASC releases a monthly Newsletter named '[GST TIMES](#)' and '[INSOLVENCY TIMES](#)' which provides a rewarding experience to the reader.

Best regards  
Shailendra Kumar Mishra  
Director  
ASC Group







## COMPLIANCE CALENDAR

Sr. No.	Due Date	Compliance	Period
1	7 <sup>th</sup> June 2022	The due date for deposit of TDS/TCS for the month of May, 2022. However, all sum deducted/collected by an office of the government shall be paid to the credit of the Central Government on the same day where tax is paid without production of an Income-tax Challan.	May 2022
2	14 <sup>th</sup> June	The due date for issue of TDS Certificate for tax deducted under Section 194-IA, 194-IB and 194M.	April 2022
3	15 <sup>th</sup> June	The due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of May, 2022 has been paid without the production of a challan.	May 2022
4		Quarterly TDS certificates (in respect of TDS deducted for payments other than salary).	Quarter ending March 2022
5		The first installment of advance tax for the assessment year 2023-24.	AY 2023-24
6		Certificate of TDS to employees in respect of salary paid and tax deducted during FY 2021-22.	FY 2021-22
7		The due date for furnishing statement in Form No. 3BB by a stock exchange in respect of transactions in which client codes have been modified after registering in the system.	May 2022
8		Furnishing of statement (in Form No. 64D) of income paid or credited by an investment fund to its unit holder for the previous year 2021-22.	PY 2021-22
9		E-payment of Provident Fund through Electronic Challan cum Return (ECR)(PF).	May 2022
10		ESI Payment through ESI Challan.	May 2022
11	29 <sup>th</sup> June	The due date for e-filing of a statement (in Form No. 3CEK) by an eligible investment fund under Section 9A in respect of its activities in the FY 2021-22.	FY 2021-22



## COMPLIANCE CALENDAR

12	30 <sup>th</sup> June	The due date for furnishing of challan-cum-statement in respect of tax deducted under Section 194-IA, 194-IB and 194M.	May 2022
13		Return in respect of Securities Transaction Tax (STT) for the FY 2021-22.	FY 2021-22
14		Quarterly return of non-deduction of TDS by a banking company from interest on time deposit in respect of the quarter ending March 31, 2022.	Quarter ending March 2022
15		Statement to be furnished (in Form No. 64C) by Alternative Investment Fund (AIF) to unit holders in respect of income distributed during the previous year 2021-22.	PY 2021-22
16		Report by an approved institution/public sector company under Section 35AC(4)/(5) for the year ending March 31, 2022.	FY 2021-22
17		The due date for furnishing of statement of income distributed by business trust to its unit holders during the FY 2021-22. This statement is required to be furnished to the unit holders in form No. 64B.	FY 2021-22
18		Furnishing of Equalisation Levy statement for the FY 2021-22.	FY 2021-22
19		Filing of LLP-11 i.e., annual statement for furnishing details of the business of LLP and its partners (as extended to 30 <sup>th</sup> June 2022 by MCA).	FY 2021-22





## NEWS HIGHLIGHTS

### Biden Launches Indo-Pacific Economic Framework

US President Joe Biden announced the launch of Indo Pacific Economic Framework (IPEF). It will include a dozen of Indo-Pacific countries to counterweight the Chinese economic clout. It is a significant move by The US to re-engage Indo-Pacific nations on trade. This comes more than 5 years after the withdrawal of the US from the Trans Pacific Partnership (TPP), a regional comprehensive trade pact.

The IPEF group represents around 40% of the World's GDP while allowing other countries to join in the future. Japan happily welcomed the launch while hoping for the US's return to TPP. The IPEF is centred around four pillars - Connected Economy, Resilient Economy, Clean Economy and Fair Economy. [Click here](#) to know the full story.



### Saudi Arabia bans international flights to India, 15 other countries over fresh Covid-19 outbreaks

After fresh Covid-19 outbreaks, Saudi Arabia banned flights to more than 15 countries including India. Due to a rapid surge in daily covid-19 cases, Saudi Arabia initiated this move in order to protect its citizens from the infection. Further, the monkeypox has been one of the key concerns for the nations. Ministry of Health, Saudi Arabia, however, has assured the public that there have been zero monkeypox cases in the nation. [Click here](#) to know the full story.

### Govt imposes restrictions on sugar exports from June 1

The government is imposing restrictions on sugar exports from 1st June for ensuring domestic availability and price stability. As per the orders, the export of sugar will be allowed only after special permission from the Directorate of Sugar, Department of Food and Public Distribution (DFPD) Ministry of Consumer Affairs, Food and Public Distribution beginning from 1st June 2022 till 31st October 2022 or until further orders, whichever is earlier.

DFPD will issue a detailed procedure for obtaining permission for export. However, it has been clarified that the export restriction is not applicable to the EU and the US under the TRQ and CXL quota. This is a significant move considering that India is the world's biggest producer of sugar and 2nd largest exporter only after Brazil. [Click here](#) to know the full story.



## Govt allows duty-free import of 20 lakh tn per year of crude soyabean, sunflower oil

The government has exempted the customs duty as well as the agriculture infrastructure development cess on 20 lakh metric tonnes of import of sunflower oil and crude soyabean yearly. This will be applicable for two financial years i.e., FY 2022-23 and FY 2023-24. This is a significant move to curb inflation and help cool down the domestic prices as India is witnessing rising inflation for the past few months. [Click here](#) to know the full story.



## As India's wheat export ban hits global trade, nations dial New Delhi

Another significant ban – this time it's wheat. On May 13, 2022, the Government of India banned private exports of wheat with an immediate effect. This has made the countries anxious considering that India is one of the significant exporters of wheat. Nations were continuously calling to confirm whether their requests would be served. As per the government's estimates, 4.50 million metric tonnes of wheat have been contracted for exports in this fiscal year out of which 1.46 million metric tonnes were exported in April alone.

The government is yet to decide how much wheat will be exported to each nation. The other nations have been pressuring India to abandon further tightening of the ban. However, the government has provided relaxation as well. As per the Directorate General of Foreign Trade, wheat consignments that are already handed over to the customs authorities for examination and registered in their systems on or before 13th May can be exported. [Click here](#) to know the full story.



# Circulars & Notifications:

## Income Tax

### Circular regarding use of functionality under section 206AB and 206CCA of the Income-tax Act, 1961

Section 206AB and 206CCA provide for deduction / collection of TDS / TCS at a higher rate for non-filers of return of income. These sections become applicable in the following cases:

- They have not filed their return of income for the assessment year relevant to the previous year immediately preceding the financial year in which the TDS / TCS is required to be deducted / collected and the time limit for furnishing return of income under section 139(1) has expired; and
- The aggregate of TDS and TCS is Rs. 50,000 or more in that previous year.

Owing to the difficulties faced by the taxpayers, the government launched 'Compliance Check for Section 206AB and 206CCA'. This functionality aims to provide information to the deductor / collector about the return filing status of the assessee. The CBDT released a detailed [Circular No. 10 of 2022 dated 17th May 2022](#) . For better understanding, [click here](#) to know our detailed analysis.

### Income-tax (Fifteenth Amendment) Rules, 2022

The CBDT released the Income Tax (Fifteenth Amendment) Rules, 2022 bringing in certain important changes in the Income Tax Rules, 1962. The changes were primarily focused on prescribing certain additional transactions for which it has now become mandatory to make an application for allotment of PAN as per Section 139A. Further, it is also mandatory to quote PAN while undertaking these additional transactions as per Section 139A(6). Following are these additional transactions:

- Cash deposit or deposits aggregating to Rs. 20 lakhs or more in a financial year, in one or more accounts of a person with a banking company or a co-operative bank or a post office.
- Cash withdrawal or withdrawals aggregating to Rs. 20 lakhs or more in a financial year, in one or more accounts of a person with a banking company or a co-operative bank or a post office.





- Opening of a current account or cash credit account by a person with a banking company or a co-operative bank or a post office.

[Click here](#) to check out the rules.

### Income-tax (Thirteenth Amendment) Rules, 2022

The CBDT released the Income Tax (Thirteenth Amendment) Rules, 2022 bringing in certain important changes in the Income Tax Rules, 1962. Following are the amendments introduced by these rules:

- Computation of minimum investment and exempt income for the purposes of section 10(23FE) of the Act i.e., income of specified persons in the form of dividend, interest and long term capital gains from investments in India.
- Form No. 10BBB i.e., Intimation by Pension Funds of investments under Section 10(23FE)
- Form No. 10BBC i.e., Certificate by Accountant for compliance with the provisions of Section 10(23FE) by the notified pension funds
- Form 10BBD i.e., Statement of eligible investments received.

[Click here](#) to check out the rules.

### Faceless Penalty (Amendment) Scheme, 2022

The CBDT released the Faceless Penalty (Amendment) Scheme, 2022 bringing in certain important changes in the penal provisions for faceless assessment. The changes were introduced in the administrative and procedural aspects. The Regional Faceless Penalty Centres (RFPC) have been removed. Penalty Unit and Penalty Review Units shall be referred to as Assessing Officer. Another significant change includes the omission of rectification proceedings. [click here](#) to check out all the amendments.

## Ministry Of Corporate Affairs

### Clarification on Passing of Ordinary and Special Resolution on account of Covid-19 and Holding of AGM through Video Conferencing

The MCA issued a [General Circular No. 3/2022 dated 5th May 2022](#) to allow the companies to conduct their extraordinary general meetings through Video Conferencing mode or Other Audio Visual Means (OAVM) or transact items through postal ballot up to 31st December 2022.



**M** MINISTRY OF  
**C** CORPORATE  
**A** AFFAIRS  
GOVERNMENT OF INDIA

Further, through the issue of [General Circular No. 2/2022 dated 5th May 2022](#), the MCA issued a clarification allowing companies whose AGMs are due in the year 2022 to conduct their AGMs on or before 31st December 2022 through Video Conferencing Mode or Other Audio Visual Means (OAVM) as discussed in General Circular 20/2020. However, MCA has further clarified that it shall not be construed as an extension of the time limit for holding AGM as provided under the Companies Act. The companies who fail to adhere to the relevant timelines shall be liable for legal action as per the provisions of the act.

### Relaxation in Paying Additional Fees up to 30th June in case of Delay in Filing Form-11 (Annual Return) for LLP

Upon representations received by the MCA seeking an extension for the filing of Annual Return in Form-11 for LLPs, it has been decided that LLPs can file e-Form-11 for Financial Year 2021-22 without payment of additional fees up to 30th June 2022. [Click here](#) to check out the general circular.

## Relaxation in Paying Additional Fees up to 30th June in case of delay in filing various event-based e-forms of LLP that are due from 25th February 2022 to 31st May 2022

MCA received various representations seeking extension of timelines for various event-based e-forms for LLPs due to the transition from version-2 of MCA21 to version-3. Therefore, LLPs are allowed to file various event-based e-forms that are due on or after 25th February 2022 to 31st May 2022 up to 30th June 2022 without paying additional fees. [Click here](#) to check out the Notification

## RESERVE BANK OF INDIA

### New Definition of Micro, Small and Medium Enterprises - Clarification

The RBI vide release of Notification No. RBI/2022-23/52 dated 19th May 2022 released a clarification regarding the definition of the Micro, Small and Medium Enterprises. It is clarified that the existing Entrepreneurs Memorandum (EM) Part II and Udyog Aadhaar Memorandum (UAM) of the MSMEs obtained till 30th June 2020 shall be valid till 30th June 2022 for classification as MSMEs. Further, the validity of the documents obtained in terms of O.M. No.12(4)/ 2017-SME dated March 8, 2017 ([RBI Circular FIDD.MSME & NFS.BC.No.10/06.02.31/2017-18 dated July 13, 2017](#)) [i.e., documents for investment in plant and machinery for the purpose of classification as MSMEs] up to 30th June 2020 for classification of MSMEs has been extended up to 30th June 2022.



### Maintenance of Cash Reserve Ratio (CRR)

The RBI has issued a [Notification RBI/2022-23/46 dated 4th May 2022](#) that the Cash Reserve Ratio for all the banks shall be increased by 50 basis points. Therefore, the CRR has been increased to 4.50% from the existing 4% of the Net Demand and Time Liabilities (NDTL) and will be effective from the reporting fortnight beginning on 21st May 2022.

### Kisan Credit Card Scheme - Eligibility criteria for farmers engaged in fisheries/ aquaculture

The authorisation and licensing related requirements pertaining to aquaculture and fishing in inland water bodies vary across states. Therefore, the RBI by the issue of [Notification RBI/2022-23/51 dated 18th May 2022](#) stated that the eligibility criteria for aquaculture and inland fisheries are modified.

The beneficiaries now must own or lease any of the fisheries related assets like tanks, ponds, hatcheries, raceways, open water bodies, boats, nets, rearing units and such other fishing gears as may be required. Further, they shall possess the necessary certification and authorisation as may be applicable in their state for fish farming and fishing related activities.

### Housing Finance – Loans for repairs/additions/alterations - Enhancement of limits

Borrowers are allowed to avail of loans for repairs / alterations and additions to their dwelling units. RBI placed a ceiling limit of Rs. 2 lakhs in rural areas and Rs. 5 lakhs in urban areas. However, vide [Notification RBI/2022-23/56 dated 24th May 2022](#), the ceiling limit has been revised upwards. As per the new ceiling limit, borrowings can be done up to Rs. 10 lakhs in the metropolitan centres (i.e., centres with a population of 10 lakhs and above) and Rs. 6 lakhs in other centres.





## Indo Japan News

### India and Japan agree to enhance bilateral security, defence co-op

The meeting between the Indian Prime Minister Shri Narendra Modi and his Japanese counterpart Prime Minister Fumio Kishida focused on enhancing bilateral security and defence cooperation between the two nations including the area of defence manufacturing.

Both leaders reviewed their relations and held discussions on several subjects to further deepen the bonds. They concurred that a 2+2 foreign and defence ministerial meeting can be held in Japan shortly. Further, both the leaders agreed on jointly working towards their decision to have 5 trillion Yen in private and public investments and financing from Japan to India in the next 5 years. [Click here](#) to know the full story.

### "The Best Is Yet To Come": PM Modi's Op-ed On India-Japan Relations

Upon the invitation of the Japanese counterpart, PM Narendra Modi was on a 2-day visit to Japan that saw in-depth strategic and bilateral discussions between the two nations. India and Japan will continue to contribute toward a free, open and inclusive Indo-Pacific region. Further, Quad nations, which include India, Japan, USA and Australia are deeply focused to counter Chinese aggression in the Indo-Pacific region. The Chinese government claims the entire disputed South China Sea even though the Philippines, Taiwan, Brunei, Malaysia and Vietnam also claim part of it. Discussions on other key sectors included defence manufacturing, space, cyber as well as underwater domains. [Click here](#) to know the full story.

### Bolstering security ties on the 70th anniversary of India-Japan relations

This year is the 70th anniversary of the diplomatic relations between Japan and India. After both the countries became 'Special Strategic and Global Partners' in 2015, their bilateral relations progressed at a steady pace. Strategic ties between the two nations are important for a stable Indo-Pacific region.

Tokyo has been reluctant to confront China because of its policy of Seikei Bunri i.e., separation of politics from economics. Further, India emphasised that the security cooperation with Japan should not be at the cost of any third country, especially China. However, with a focus on stability in the Indo-Pacific region, there have been consistent efforts from both the nations. For instance, Quad has significantly progressed with aim of stability in this region without direct mention of China. Further, India, Japan and France's trilateral should also be pursued. Another way is to enhance the coast guard partnership as Japan's constitutional limitations have constrained its JMSDF i.e., Maritime Self Defence Force from the role of the traditional navy. [Click here](#) to know the full story.







# PUBLICATIONS

## INTERNAL PUBLICATIONS

### Section 206AB and 206CCA – Compliance Check Functionality of Income Tax

Compliance check functionality for Section 206AB and 206CCA eased the compliance burden on the tax deductors and collectors. However, the government noted that some of the deductors, as well as collectors, still asked for evidence of returns filed from the deductees / collectees. [Read more](#)

### 5 arrested in connection with alleged GST Credit Fraud of Rs 700 crore

There has been an arrest of 5 people from Gujarat in connection with the alleged GST credit fraud of Rs 700 crore. A joint investigation by the Central GST Commissionerate in Indore and the Madhya Pradesh Police's cyber cell exposed that the accused directed the transactions via digital wallet accounts linked to several mobile numbers to avoid the conventional banking channels. [Read more](#)

### Sharing data of Commercial Rent and Lease Deed to Curb GST Evasion- Haryana

Haryana Revenue Department to start regular data sharing of Commercial Rent and Lease Deed with the Haryana Excise and Taxation Department to curb GST Evasion. GST has been chargeable at 18% on the renting of immovable property (Other than for residential purposes). [Read more](#)

### Form 10BD and Form 10BE - Statement of Donation: Who Shall File?

Statement of Donations in Form 10BD that is required to be filed by the donee. Let's understand what is Form 10BD and how it will facilitate the government in cross-checking the donations made by the donors. [Read more](#)

### A Comprehensive Guide to Tax on Sale of Securities

The taxation on the sale of securities depends upon the head under which the income is classified. While the transaction in securities is itself liable to the Securities Transaction Tax, the gains are taxable separately. Here's a complete guide to help you determine and plan tax on the sale of securities. [Read more](#)

### Invoices Not Reflected in April GSTR-2B? What Should You Do After GSTN Clarification?

As per the GST Network's clarification, certain records are not reflected in the GSTR-2B statement for the tax period of April 2022. As the ITC in GSTR-3B gets auto-populated from GSTR-2B, therefore, ITC won't be reflected in the GSTR-3B as well. [Read more](#)

### GST Reconciliation: How to Reconcile your Books With GST?

GST reconciliation has been one of the major concerns of the taxpayers. GST compliances involve the filing of multiple returns. For instance, for reporting sales, we have GSTR-1 and GSTR-3B. For reporting purchases, we have GSTR-3B which involves auto-population of details from GSTR-2B. Further, the details reported in the GST returns shall match with the details furnished to the Income Tax Department as well. [Read more](#)

### GST & Income Tax Due Date Compliance Calendar May 2022 for Corporates and Individuals

The month of May 2022, is noteworthy for the due dates of various compliances under the GST, Income Tax Act, Companies Act, and LLP Act. Businesses or Individuals, having their operations are bound to adhere to the tax compliance. Filing the compliances on or before the due dates saves the taxpayers from penalties. [Read more](#)



## Ind AS Applicability and Compliances Guide - Indian Accounting Standards

Ind AS are the Indian version of International Financial Reporting Standards (IFRS) which are global standards governing the accounting aspects. This guide covers everything you need to know about Ind AS, Ind AS applicability, and Compliances. [Read more](#)

## 10 Highlights of World Metrology Day 2022 Celebrated in over 80 countries

World Metrology Day is celebrated every year on May 20 across the world. This day signifies the need for accurate measurement units and the contribution of every individual in metrology organisations & institutes. The theme of the World Metrology Day 2022 event is 'Metrology in the Digital Era.' [Read more](#)

## GST Council Meet in June Likely to Discuss on Multi-Year Plan to Reform GST Structure

The Goods and Services Tax (GST) Council will likely meet in the second half of June, amid a new debate on the way taxation powers are shared between the Centre and states. To secure the compliance and the scrutiny of the GST returns to elevate revenues, GST Council is to be expected to contemplate enforcing a ministerial panel's recommendations on data analytics. [Read more](#)

## GST Compensation Due till May 2022 Cleared by Centre - State Wise Breakup

The entire amount of GST compensation (Up to 31st May, 2022) payable to the States amounting to Rs. 86,912 cr has been released by the Government of India (GOI). Despite the fact that about only Rs. 25,000 cr is available in the GST compensation fund, the decision has been taken. [Read more](#)

## QUOTE OF THE MONTH

**“Business opportunities are like buses, there's always another one coming.. ”**

**- Richard Branson**



**REGISTERED OFFICE**

73, National Park, Lajpat Nagar IV,  
New Delhi - 110024 (India)  
P: ++91-11-41729056-57, 41601289

**CORPORATE OFFICE**

C-100, Sector-2,  
Noida- 201301  
Uttar Pradesh (India)  
Phone No: +91-120-4729400

**BRANCHES IN INDIA****Gurugram:**

605, Suncity Business Tower  
Golf Course Road, Sector-54,  
Gurugram - 122002, Haryana  
Phone No: +91-124-4245110/116

**Mumbai:**

Office No. 315-316, A wing, Sagar Tech  
Plaza, Andheri Kurla Road, Sakinaka,  
Andheri (E), Mumbai - 400072, India.  
Phone No: 022-67413369/70/71

**Pune:**

Office No.4, 1st floor Silver OAK,  
SN Nagar Road, Wadgaon Sheri,  
Pune-MH-411014  
Landmark: Near Inorbit Mall

**Bengaluru:**

0420, Second Floor,  
20th Main, 6th Block,  
Koramangala,  
Bangalore - 560095, Karnataka  
Phone No : 080-42139271

**Chennai:**

Level2 - 78/132  
Dr RK salai mylapore  
Chennai - 600004, Tamil Nadu  
Mobile No: +91-8860774980

**BRANCH ABROAD****Singapore:**

One Raffles Place  
Tower 1, 27-03  
Singapore - 048616  
Mobile No: +65-31632191  
[www.ascgroup.sg](http://www.ascgroup.sg)  
[info@ascgroup.sg](mailto:info@ascgroup.sg)

**Canada:**

885 Progress Ave Toronto  
Ontario M1H 3G3 Canada  
Mobile No: +1437-774-4488  
[www.ascventures.ca](http://www.ascventures.ca)  
[info@ascventures.ca](mailto:info@ascventures.ca)

**Dubai:**

Business Bay, Ontario Tower,  
18th Floor Office 1816,  
Dubai, U.A.E  
[www.ascgroup.ae](http://www.ascgroup.ae)

