



ASC TIMES NEWSLETTER

Volume 33, June 2024

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CUSTOMS

- Seeks to amend specified customs tariff notifications to exempt applicable import duty on imports of desi chana (HS 0713 20 20) up to 31.03.2025; to impose export duty of 40% on exports of Onions (HS 0703 10); to extend the specified condition of exemption to imports of Yellow Peas (HS 0713 10 10) to bill of lading issued on or before 31.10.2024.
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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 - **33** 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 11 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.	Date	Compliance	Period
1	7 th June 2024	Due date for deposit of Tax deducted/collected for the month of May, 2024.	May 2024
2	14 th June 2024	The due date for issuing of TDS Certificate for tax deducted under sections 194-IA, 194-IB and 194M in the month of April, 2024	April 2024
3		Due date for issue of TDS Certificate for tax deducted under section 194S (by specified person) in the month of April, 2024	April 2024
4	15 th June 2024	Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of May, 2024 has been paid without the production of a challan	May 2024
5		Quarterly TDS certificates (in respect of tax deducted for payments other than salary) for the quarter ending March, 2024	March 2024
6		Certificate of tax deducted at source to employees in respect of salary paid and tax deducted during Financial Year 2023-24	FY 2023-24
7		Furnishing of the statement (in Form No. 64D) of income paid or credited by an investment fund to its unit holder for the previous year 2023-24	FY 2023-24
8		ESIC payment for the month of April 2024	April 2024
9		PF payment for the month of April 2024	April 2024
10	29 th June 2024	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 financial year 2023-24	FY 2023-24
11	30 th June 2024	The due date for furnishing of challan-cum-statement in respect of tax deducted under sections 194-IA, 194-IB and 194M in the month of May, 2024	May 2024
12		The due date for furnishing of challan-cum-statement in respect of tax deducted under section 194S (by specified person) in the month of May, 2024	May 2024
13		Return in respect of securities transaction tax for the financial year 2023-24	FY 2023-24
14		Quarterly return of non-deduction of tax at source by a banking company from interest on time deposit in respect of the quarter ending March 31, 2024	January 2024 to March 2024
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 2023-24	FY 2023-24
16		Due date for furnishing of statement of income distributed by business trust to its unit holders during the financial year 2023-24. This statement is required to be furnished to the unit holders in form No. 64B	FY 2023-24
17		Furnishing of Equalisation Levy statement for the Financial Year 2023-24	FY 2023-24



Indo Japan News

India and Japan commit to bolstering health cooperation

India and Japan are aiming to expand the bilateral health cooperation. Both nations have agreed to advance their collaborative efforts during the meeting on the sidelines of the 77th World Health Assembly (WHA) that was held in Geneva. They are planning to expand in the domains of Artificial Intelligence (AI), digital health, addressing non-communicable diseases and elderly care. Further, both countries will be focusing on strengthening the ongoing programme by focusing on training the Indian nurses in the Japanese language. [Read more](#)

India is all set to overtake Japan as 4th largest economy by 2025, predicts Amitabh Kant

Amitabh Kant, Former CEO of Niti Aayog and India's G20 Sherpa projected that India is all set to become the 4th largest economy in the world by 2025, overtaking Japan. His statement is supported by the various macroeconomic parameters that are doing pretty well. India currently stands in 5th position after the USA, China, Germany and Japan. Almost a decade ago, India was the 11th largest economy in the world. Some of the key contributing factors towards this are the 8% GDP growth in the past 3 quarters, record GST collection, inflation at manageable levels.

Japan's Mizuho hires Sanjay Nayar as an advisor for Mizuho Bank India

Sanjay Nayar, the Private Equity veteran has been hired as the External Senior Advisor for Mizuho Bank India, the Indian arm of Mizuho Financial Group. It is Japan's 3rd largest lender with \$2 trillion in assets. His appointment is key to supporting the development of Mizuho's local growth strategy. Mizuho has already infused \$500 million into the Indian bank branches. Further, it made an investment of \$145 million against a 15% stake in Kisetu Saison Finance (India), the Indian subsidiary of the credit card issuer Credit Saison. Nayar currently runs his own venture capital business, Sorin Investments. It was co-founded by Sanjay Nayar and Angad Banga and is a technology-focused fund that has raised a corpus of Rs. 1000 crores.

[Read more](#)

India overtakes Australia, Japan and Singapore in data centre capacity, gets \$40 billion in funds

India overtook Australia, Japan, Hong Kong, South Korea and Singapore to become the data centre leader in the Asia-Pacific region on the basis of installed capacity. This is crucial to support the rising demand for the data in world's fastest-expanding major economy. India currently has 950MW of installed capacity. Further, it is expected to add an additional 850MW of capacity by 2026. Many multinational corporations are seeking to expand their digital services considering the favourable market conditions. India's data centre industry saw an increase in investment by more than \$40 billion between 2018 and 2023, seeing commitments from both domestic and foreign investors. [Read more](#)



NEWS HIGHLIGHTS

Lok Sabha Elections 2024: The Return of Coalition

The Lok Sabha Elections 2024 result came out and it marked the return of the coalition government era. Bhartiya Janta Party (BJP) won 240 seats and failed to cross the majority mark of 272 out of 540 member seats. However, the BJP-led National Democratic Alliance (NDA) still managed to secure 292 seats allowing Prime Minister Narendra Modi to return to power. This has also marked the return of a coalition government, a first for the Modi Government since it came to power. In 2019, the BJP secured 303 seats while the NDA won 353 seats. Now, the BJP will have to work with its alliance partners for the next 5 years with a strong opposition of I.N.D.I. Alliance that secured 232 seats. The remaining seats went to other candidates in the election. However, it is notable that PM Narendra Modi is the only Prime Minister after Jawaharlal Nehru to return to power for the 3rd. [Read more](#)

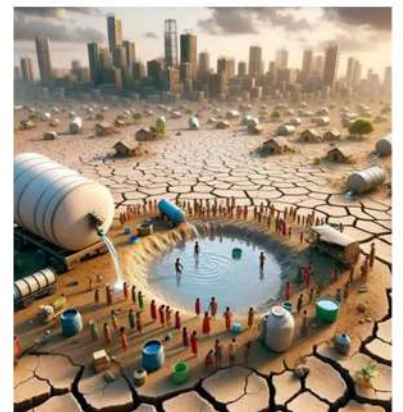


India on track to become third largest consumer market by 2026: UBS

As per the latest report released by UBS, India is on the path to becoming the 3rd largest consumer market by 2026 and will be overtaking Germany and Japan. The primary reason behind the same is an increase of the people in the affluent category that is expected to double in the next 5 years. By 2028, 88 million people are expected to have an annual income of over \$10,000. The consumption growth is expected to stay at 4%-5% in the current and next fiscal year, witnessing a decline from the annual average rate of 6.5%-7% during the Financial Year 2011-2020. [Read more](#)

Heat nears 50°C, water crisis hits Delhi; Govt warns against wastage

Delhi is witnessing a surging water crisis with temperatures around 50 degrees. Delhi is largely dependent upon its neighbouring states Uttar Pradesh and Haryana to fulfill its water needs. Atishi from the Aam Aadmi Party has appealed to the people to not waste water. Haryana has been accused of not releasing Delhi's share of water since 1st May. If the matter is not resolved, Delhi will be approaching the Supreme Court. The government also took certain measures to curb the water scarcity. This involves reducing the water supply to once a day from twice. The saved water will be supplied to the



water-deficient areas where the supply lasts only for 15-20 minutes. [Read more](#)

Mukesh Ambani's Reliance Industries signs a one-year deal with Russia's Rosneft

Reliance Industries has signed a deal with Russia's Rosneft to buy at least 3 million barrels of oil in a month in Rubles. This is expected to help Reliance get oil at discounted rates at a time when the OPEC+ group of oil producers are expected to voluntarily cut the supply of oil beyond June. Reliance will be buying two cargoes of about 1 million barrels of Urals crude. Further, it will have an option to buy 4 more each month at a discount of \$3 a barrel to the Middle East Dubai benchmark. The company will be further purchasing one or two cargoes of low sulphur crude oil each month at a premium of \$1 a barrel to Dubai quotes.

[Read more](#)



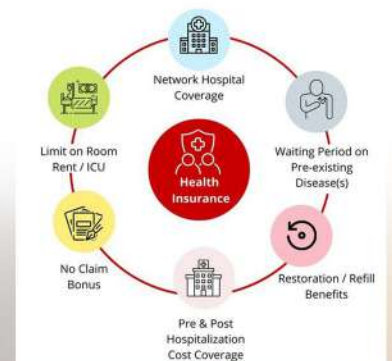
Govt puts on hold new wastage norms for gold, silver jewellery exports till July 31



After the gems and jewellery industry has raised serious concerns, the government has decided to put on hold the new norms for permissible wastage amounts for silver, gold and platinum content in jewellery exports. The hold has been put on till 31st July 2024 until which the industry can give their submissions. The government revised and notified the new norms, however, the industry claims that the revision was done without their consultation. The Directorate General of Foreign Trade (DGFT) stated that it has decided to give the industry a chance to give their submissions after receiving the representations of the Gem and Jewellery Export Promotion Council highlighting the difficulties to their sector. [Read more](#)

May enter into health insurance; can explore inorganic options: LIC Chairman

Life Insurance Corporation of India (LIC) is planning to enter into the health insurance sector and is exploring the inorganic options, stated LIC chairman Siddhartha Mohanty. The composite licenses can be permitted by amending the Insurance Act, 1938. As per this act and the regulations made thereunder, the composite licensing for an insurer to undertake general, life and health insurance under one entity is not permitted. While the LIC is not an expert in other insurance segments like engineering and fire, it can enter into the health insurance segment. [Read more](#)





INCOME TAX

CBDT excludes RBI from the definition of specified person under Sec.206AB & 206CCA

The Central Board of Direct Taxes (CBDT) has exempted the Reserve Bank of India (RBI) from the special provisions of the Income Tax Act, 1961 in relation to the TDS and TCS for non-filers of income tax returns. As per Section 206CCA of the Income Tax Act, 1961, TCS on the amount received by a specified person at a rate higher than the rate specified under this act. Here, the tax is collected at a rate twice the rate specified in the relevant provision or at the rate of 5%, whichever is higher. The same applies to the TDS at rates higher than the prescribed under Section 206AB. [Read more](#)



CBDT releases new functionality in AIS for addressing taxpayers' feedback

The Annual Information Statement (AIS) provides information relating to a large number of financial transactions that are undertaken by taxpayers. It gets populated after collating the information received from different sources. The taxpayer has been provided with the functionality to provide feedback relating to every transaction displayed in AIS. This helps taxpayers to comment on the accuracy of information reflecting the AIS.

In case the reporting is wrong, the information is taken up with the source of the information automatically. The CBDT has now rolled out a new functionality in the AIS that displays the status of the information confirmation process. It will display whether the feedback of the taxpayer has been acted upon by the source, either partially or fully, accepting or rejecting the same. [Read more](#)

CBDT issues compulsory case selection guidelines for 'Complete Scrutiny' for FY 2024-25

The CBDT has issued the guidelines for the compulsory selection of income tax returns for scrutiny for the fiscal year. It has outlined the number of cases that will be taken up. Most of the guidelines are similar to those of previous years. However, the CBDT will continue to focus on cases where the information about possible tax evasion is shared by other law enforcement agencies. The CBDT has shared that in relation to the cases whereby the information about tax evasion relating to any assessment year is being provided by a law enforcement agency,

including the Regulatory Authority, Investigation Wing, Intelligence Agency etc. and the return for the relevant assessment year has been furnished by the assessee, the jurisdictional assessing officer will prepare the list of such cases with prior approval. A consolidated list of such cases will be given to the Principal Commissioner of Income Tax which will be then forwarded to the Directorate of Income Tax (Systems). A notice for scrutiny will be issued thereon under section 143(2). [Read more](#)

Cost Inflation Index for FY 2024-25

Cost Inflation Index (CII) is a numerical value that is determined by the income tax department for each financial year to measure inflation. CII plays an important role in calculating the actual gains and income and the tax payable thereon. For each financial year, the CBDT issues the CII value that should be considered for the calculation of income. For the Financial Year 2024-25, the CII has been set at 363. It shall be effective from 1st April 2025 and shall accordingly apply for AY 2025-26 and all the subsequent assessment years thereon.

Aadhaar-PAN linking update: Pay penalty for not deducting a higher TDS amount if PAN and Aadhaar are not linked by this date

The Income Tax Department has already mandated that taxpayers link their PAN card with their Aadhaar Card. Accordingly, it has urged the taxpayers to link them before 31st May 2024 in order to avoid deduction or collection of TDS or TCS at a higher rate under Sections 206AA and 206CC. Non-linking can render your PAN inoperative following which deduction or collection of TDS or TCS at a higher rate shall become applicable. The CBDT issued a circular dated 23rd April 2024 stating that in case the PAN is inoperative, then there shall be no liability on the deductor or collector to deduct or collect tax under section 206AA/206CC at a higher rate for the transactions entered up to 31-03-2024 and in cases where the PAN becomes operative on or before 31-05-2024. [Read more](#)



Instructions on Money-Changing Activities

Full Fledged Money Changers (FFMCs)/non-bank Authorised Dealers (ADs) Category II are allowed to obtain their normal business requirements of foreign currency notes from other FFMCs and Authorised Dealers in India. They are also required to keep the balances in foreign currencies at a reasonable level in order to avoid the build-up of idle balances. However, from 1st July 2024, the value of foreign currency notes sold by FFMCs / non-bank ADs Category -II to the public for permitted purposes should not be less than 75% of the value of foreign currency notes purchased from other FFMCs/ ADs, on a quarterly basis. Further, it is mandatory to maintain the date of sale and purchase for audit or inspection requirements. [Read more](#)

Margin for Derivative Contracts

The RBI has issued the Reserve Bank of India (Margin for Derivative Contracts) Directions, 2024 that shall be applicable to the Authorised Dealer Category-I banks and Authorised Dealer Category – III Standalone Primary Dealers. These directions permit the Authorised Dealers to post and collect margin in India and outside India for –

- Permitted derivative contract entered into with a person resident outside India and receive and pay interest on such margin and
- Derivative transactions of their overseas branches and IFSC Banking units and receive and pay interest on such margin. [Read more](#)

Issuance of partly paid units to persons resident outside India by investment vehicles under Foreign Exchange Management (Non-debt Instruments) Rules, 2019

The RBI has decided to regularize the issuances of partly paid units by Alternative Investment Funds to the persons resident outside India through compounding under the Foreign Exchange Management Act, 1999. However, before compounding, the AD Category-I banks need to ensure the necessary administrative action, including the reporting of such issuances by the Alternative Investment Funds to the Reserve Bank of India through the Foreign Investment Reporting and Management Systems (FIRMS) Portal and the issuing of conditional acknowledgements for such reporting is completed. [Read more](#)

No Relaxation of additional fees and extension of the last date of filing of LLP BEN-2 and LLP Form No. 4D under the Limited Liability Partnership Act, 2008

The Ministry of Corporate Affairs has notified the Limited Liability Partnership (Significant Beneficial Owners) Rules, 2023 dated 09-11-2023. It has prescribed E-Form LLP BEN-2 to file the return to the Registrar in relation to the declaration under Section 90 of the Companies Act, 2013. Further, it has prescribed E-Form LLP Form No. 4D to file the return to the registrar in relation to the declaration of the beneficial interest in contribution received by the LLP. However, considering the transition of MCA-21 from version 2 to version 3, the MCA has decided to allow the LLPs to file Form LLP BEN-2 and LLP Form No. 4D without the payment of any additional fees up to 01-07-2024. [Read more](#)



CUSTOMS

Seeks to amend specified customs tariff notifications to exempt applicable import duty on imports of desi chana (HS 0713 20 20) up to 31.03.2025; to impose export duty of 40% on exports of Onions (HS 0703 10); to extend the specified condition of exemption to imports of Yellow Peas (HS 0713 10 10) to bill of lading issued on or before 31.10.2024.

The government has made changes in the applicability of export and import duties on certain products. The import duty on the imports of Desi Chana bearing HSN 07132020 has been exempted. Further, the government has imposed the export duty on the exports of Onions bearing HSN 070310. Further, the government has also extended the conditions of exemption to the import of Yellow Peas bearing HSN 07131010 for the bill of lading issued on or before 31st October 2024. [Read more](#)



Amendments to the All Industry Rates of Duty Drawback effective from 03.05.2024

The government has made certain amendments in the All Industry Rates (AIRs) of the Duty Drawback that shall be effective from 3rd May 2024. The government received various representations seeking clarification for the unit of 'counts' mentioned in Chapter 52 in relation to the cotton yarn. The government has inserted a new Para (13A) in the Notes and Conditions of the Notification No. 77/2023-Customs (NT) dated 20-10-2023 clarifying that the term 'counts' used in Chapter 52 shall mean 'Counts in New English (ne)'. [Read more](#)



PUBLICATIONS

INTERNAL PUBLICATION

Recognition & Certification of Start-ups in India & Income Tax Exemptions/Deductions

DPIIT allows start-ups to apply for recognition by making an online application with necessary documents. Start-ups must be incorporated as a private limited company or registered as a partnership firm or a limited liability partnership. The entity must be working towards innovation, development or improvement of products or processes or services. Eligible startups can defer the deduction of TDS on ESOP for their employees. They can also carry forward losses from prior years and set them off against their current year's income. [Read more](#)

Corporate Social Responsibility - Section 135 of Companies Act 2013

Companies must contribute a certain amount towards Corporate Social Responsibility (CSR) activities if they fulfill three conditions. The company must constitute a CSR Committee consisting of three or more directors, out of which at least one director shall be an independent director. The computation of net profit for CSR is done as per Section 198 of the Companies Act, 2013. Compliance with CSR requirements is specific to each company. Companies can implement projects directly using their resources and workforce or through registered trusts, foundations, or Section 8 companies. [Read more](#)

QUOTE OF THE MONTH

"New month, new intentions, new goals, new love, new light, and new beginnings..."

- Mae Monterrosa

[Read more](#)

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