

A black and white photograph of a person wearing a white lab coat, looking out of a window. The view outside the window shows a city skyline with various buildings. The image is partially obscured by large, overlapping geometric shapes in shades of blue and black.

# ASC TIMES NEWSLETTER

Volume 18, MARCH 2023

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# MESSAGE FROM DIRECTOR

Dear Readers,

We are delighted to release our Monthly newsletter 'ASC TIMES' - March Edition considering the rigorous demand from our eminent readers. I would like to take this opportunity to present the Volume-18 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.	Date	Compliance	Period
1	2 <sup>nd</sup> March 2023	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 January, 2023	January 2023
2	7 <sup>th</sup> March 2023	The due date for the deposit of Tax deducted/collected for the month of February, 2023.	February 2023
3	15 <sup>th</sup> March 2023	The fourth instalment of advance tax for the AY 2023-24	AY 2023-24
4		The due date for payment of the whole amount of advance tax in respect of AY 2023-24 for the assessee covered under the presumptive scheme of Section 44AD / 44ADA	AY 2023-24
5		The due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of February, 2023 has been paid without the production of a Challan	February 2023
6		The due date for payment of the PF contributions	February 2023
7		The due date for payment of the ESIC contributions	February 2023
8	17 <sup>th</sup> March 2023	The due date for issue of TDS Certificate for tax deducted under sections 194-IA, 194-IB and 194M in the month of January, 2023	January 2023
9	30 <sup>th</sup> March 2023	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 February, 2023	February 2023
10	31 <sup>st</sup> March 2023	Country-By-Country Report in Form No. 3CEAD for the previous year 2021-22 by a parent entity or the alternate reporting entity, resident in India, in respect of the international group of which it is a constituent of such group	FY 2021-22
11		Country-By-Country Report in Form No. 3CEAD for a reporting accounting year (assuming reporting accounting year is April 1, 2021 to March 31, 2022) by a constituent entity, resident in India, in respect of the international group of which it is a constituent if the parent entity is not obliged to file a report under section 286(2) or the parent entity is resident of a country with which India does not have an agreement for the exchange of the report etc.	FY 2021-22
12		Uploading of statement in Form 67 of foreign income offered to tax and tax deducted or paid on such income in the previous year 2021-22, to claim foreign tax credit [if the return of income has been furnished within the time specified under section 139(1) or section 139(4)].	FY 2021-22

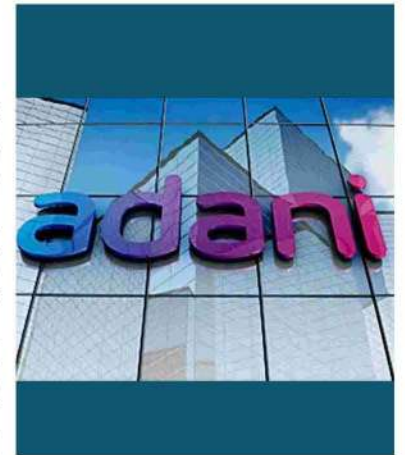




## NEWS HIGHLIGHTS

### Adani Enterprises, Adani Green, Adani Power shares extend fall; Adani group m-cap drops below Rs 7 lakh crore mark

Adani has been the centre of discussion after the Hindenburg row. The market capitalization of Adani group companies saw a free fall and approximately 70% of its market capitalization was wiped off. Hindenburg's report also resulted in the withdrawal of India's biggest Further Public Offer (FPO) by the Adani Group. The company-wise analysis states that Adani Gas lost Rs. 3.48 lakh crores, Adani Enterprises lost Rs. 2.46 lakh crores, Adani Transmission lost Rs. 2.32 lakh crores while Adani Green Energy lost 2.29 lakh crores. Apart from that, Adani Ports, Adani Power and Ambuja Cements lost Rs. 51,413 crores, Rs. 42,522 crores and Rs. 31,542 crores respectively. Adani investors lost a significant amount of wealth including the Life Insurance Corporation of India (LIC). [Click here](#) to read the full story.



### After tax raids in India, the UK government says 'we stand up for the BBC'

The income tax authorities raided the BBC offices in Mumbai and Delhi. British Broadcasting Corporation, popularly known as BBC, is a UK-based broadcasting corporation and after the raid, the British government strongly defended the BBC. David Rutley, Parliamentary Under-Secretary of the FCDO, stated the following, 'We stand up for the BBC. We fund the BBC. We think the BBC World Service is vital. We want the BBC to have that editorial freedom'. [Click here](#) to read the full story.

### Biden makes surprise visit to Ukraine for the first time since the full-scale war began

US President Joe Biden visited Kyiv, Ukraine ahead of the 1st anniversary of the Russia-Ukraine war. This shows his commitment towards Ukraine and its struggle as the war completes a year. The visit was a surprise and highly secretive. Biden announced half-billion dollars support to Ukraine that will also include military equipments such as javelins, artillery ammunition and Howitzers. Further, new sanctions were going to be imposed on Russia. The USA and western nations have been supporting Ukraine by sending arms, tanks and ammunition to Ukraine. Biden's visit was a high-profile symbolic moment and it occurred just a day before the planned speech by Russian President Vladimir Putin. [Click here](#) to read the full story.







## Incoming World Bank chief Ajay Banga faces tests before he gets to climate

In another proud moment for India, Ajay Banga was nominated to lead the World Bank by US President Joe Biden. However, Ajay will face a tough slate of issues around institutions' capital structure and finances. Joe Biden and his team have an ambitious plan for overhauling the 77-year-old World Bank. Before this, Ajay Banga was the Mastercard's CEO. Before Ajay Banga takes over the office, the ex-Mastercard CEO is expected to start working with his numerous constituencies in April itself when the top officials at the World Bank and the International Monetary Fund will meet. [Click here](#) to read the full story.







## Indo Japan News

### India, Japan to kickstart 2-week wargame from Friday

The Indian and Japanese army began their 2-week mega military wargame in February in the Japanese province of Shiga. This was started to share the best practices and develop interoperability. This exercise of 'Dharma Guardian' is important for security against the challenges faced by both nations. The 4th edition of this exercise took place at Camp Imazu in Shiga Province from February 17 to March 2. In this exercise, the infantry regiment from the middle army of the Japan Ground Self Defence Force (JGSDF) and the Garhwal rifles regiment of the Indian Army will be participating. This joint exercise will help both armies develop a deeper understanding, know each other better and increase their situational awareness. [Click here](#) to read the full story.

### Japan's JCB targets 30 million users in India over 5 years

JCB International, Japan's payments company, is expanding its operations and customer base in India to compete with its rivals Visa and Mastercard. As per the reports, the JCB is targeting 30 million users in India over the next 5 years. Further, it also announced the issuance of 1 million RuPay JCB cards in India. The credit and debit cards, issued by 12 public and private sector banks co-badged with JCB RuPay, offer a seamless payment experience both within and outside India. India is one of the major markets for JCB and has a huge customer base that enjoys international travel. [Click here](#) to read the full story.

### Piyush Goyal Calls for Focus on Early Harvest of Mutually Beneficial Deliverables

Piyush Goyal, our commerce and industry minister, urged the partner countries under the Indo-Pacific Economic Framework for Prosperity (IPEF) to focus on the early harvest of the deliverables that can benefit all the members. India hosted a special negotiating round between 8-11th February 2023 for IPEF that covered 3 pillars i.e., Pillar II (Supply Chains), Pillar III (Clean Economy) and Pillar IV (Fair Economy). Approximately 300 officials from various countries participated in this deliberation. The partner nations of IPEF engaged in the productive exchange of feedback and ideas while committing to work intensively in the future. [Click here](#) to read the full story.

### Japan and India will bridge 'Global South', G7 countries, and IPEF countries: Key negotiator

India is encouraging the digital economy very diligently and it is appreciated across the globe. Japan is further encouraging India to join the Indo-Pacific Economic Framework (IPEF) trade pillars that also include the digital economy considering that PM Modi is a strong supporter of the digital economy. Yamashita Takanari, the Japanese negotiator in IPEF, participated in the second round of IPEF negotiations in February. He stated that PM Narendra Modi has announced to launch of the Digital Public Infrastructure Task Force. [Click here](#) to read the full story.







## Circulars & Notifications:

### INCOME TAX

#### Centralised Processing of Equalisation Levy Statement Scheme, 2023.

The government initiated a new Centralised Processing of Equalisation Levy Statement Scheme, 2023. It requires every assessee or e-commerce operator to furnish the equalisation levy statement under Section 167(1) within the time as specified under Rule 5(2). Further, an assessee or e-commerce operator may furnish an equalisation levy statement or a revised equalisation levy statement at any time before the expiry of 2 years from the end of the financial year. Further, these rules lay down the detailed methodology to process the equalisation levy statement.

Also, as per these rules, no assessee or e-commerce operator shall be required to appear personally or through an authorised representative before the centre in case of any proceedings. Any written or electronic communication from such person or an authorised representative in the format as specified by the centre shall be considered as sufficient compliance with the clarification or the query as received from the centre. [Click here](#) to read the entire rules.



#### Income-tax Amendment (3rd Amendment) Rules, 2023

The government has notified Income-tax Amendment (3rd Amendment) Rules, 2023 that shall come into force from 1st April, 2023. Through this amendment, some of the major rules were substituted that includes Rule 16CC specifying the form of audit for trust and charitable institutions, Rule 17B which specifies audit reports for trusts and charitable organisations etc. Form 10B would be applicable where total income of trust/fund/institution/university exceeds Rs. 5 Crores or such trust/fund/institution/ university receives foreign contribution during previous year or income applied outside India by such trust/fund/institution/ university. In any other case, Form 10BB would be applicable. [Click here](#) to read the entire amendments.



## RESERVE BANK OF INDIA

### Change in Bank Rate

The Reserve Bank of India once again revised the bank rate in February this year. The bank rate was revised by 25 basis points from 6.50% to 6.75% with immediate effect on 8th February 2023. Considering the same, the following are the changes across different rates, including the penal interest rate that is linked to the bank rate:



Particulars	Existing Rate	Revised Rate
The penal interest rate on shortfalls in the reserve requirements	Bank rate + 3% (i.e., 9.50%) or bank rate + 5% (i.e., 11.50%)	Bank rate + 3% (i.e., 9.75%) or bank rate + 5% (i.e., 11.75%)
Policy repo rate under the Liquidity Adjustment Facility (LAF)	6.25%	6.50%
Standing deposit facility rate (SDF)	-	6.25%
Marginal standing facility rate (MSF)	-	6.75%

The following are the RBI circulars that merit importance in this regard:

<https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12450&Mode=0>

<https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12451&Mode=0>

### Introduction of Foreign Contribution (Regulation) Act (FCRA) related transaction code in NEFT and RTGS Systems

Under the Foreign Contribution Regulation Act, 2010 (FCRA), the foreign contributions shall be received only in the FCRA account of the State Bank of India, New Delhi Main Branch. The foreign contributions in such cases are received directly from the foreign banks through SWIFT and from the Indian intermediary banks through RTGS and NEFT systems. Further, the Ministry of Home Affairs (MHA) requires that the details of the donor such as name, address, currency, amount, country of origin and the purpose of remittance shall be captured from such transactions and the SBI shall report the same to the MHA on a daily basis.

Keeping in mind the above requirements, necessary changes have been introduced in the RTGS and NEFT systems. The following are the transaction codes provided for the RTGS and NEFT systems:

Field	Type	Code to be used
6305 (in N06 message)	NEFT	41
PmtTplnf/CtgyPurp/Cd (in Pacs.008 message)	RTGS	FCRA

Further, the notification also provides the format for providing the donor details in the 7495 and RmtInf fields of NEFT and RTGS Systems. [Click here](#) to read the full notification.



## Implementation of Indian Accounting Standards (Ind AS)

The RBI observed that after implementing the Indian Accounting Standards (Ind AS), some Asset Reconstruction Companies (ARCs) recognised the management fees even though the said fees has not been realised for more than 180 days. In order to address the prudential concerns arising from the recognising the unrealised income, the RBI has specified that the following amounts shall be reduced from the net owned funds while calculating the Capital Adequacy Ratio and the amount that is available for payment of dividends:

- Management fees that were recognized during the planning period and that remained unrealised beyond 180 days from the date of expiry of the planning period
- Management fees that were recognised after the expiry of the planning period and remained unrealised beyond 180 days from such recognition
- Any unrealised management fees notwithstanding the period for which it has remained unrealised in cases where the net asset value of the Security Receipts has fallen below the 50% of the face value.

## Reserve Bank of India (Financial Statements - Presentation and Disclosures) Directions, 2021 – Disclosures for State Co-operative Banks and Central Co-operative Banks

The Reserve Bank of India (Financial Statements - Presentation and Disclosures) Directions, 2021 are applicable to the Commercial Banks and Primary Urban Co-operative Banks (UCBs) to harmonise the regulatory instructions on presentation and disclosures in the financial statements across the banking sector. After consulting the National Bank for Agriculture and Rural Development (NABARD), it has been decided to make this Master Direction applicable to the State Cooperative Banks as well as Central Cooperative Banks. [Click here](#) to read the full notification.

## Issuance of PPIs to Foreign Nationals / Non-Resident Indians (NRIs) visiting India

The government has decided to allow the access to Unified Payments Interface (UPI) to foreign nationals and NRIs visiting India. In order to start, this facility will be extended to travellers from the G-20 countries at certain selected international airports for their Merchant Payments (P2M) while they are in the country. Eventually, this facility will be enabled across all the entry points in the country. Further, this has come into effect immediately. [Click here](#) to read the full notification.





# PUBLICATIONS

## INTERNAL PUBLICATIONS

### Breaking Down Brand Rate Fixation for Duty Drawback

The Central Government has the authority to withdraw the brand rate for duty drawback under customs law. The government can do so directly or through the Principal Commissioner of Customs or Commissioner of Customs. It is important to choose the appropriate method for determining the duty drawback of goods. Let's understand in detail: [Read more](#)

### Certificate of Origin (COO) in India - Meaning and Types of COO Certificate

Imports and exports in any country are subject to duties like customs, cess, and anti-dumping duties which depend on the country of origin. A Certificate of Origin is important in such cases. However, the country of origin can sometimes be manipulated, which can affect the applicable duties. Let's understand in detail: [Read more](#)

### Deemed Exports Under Foreign Trade Policy

The Indian government has launched several schemes and initiatives to promote exports from India. In addition to actual exports of goods, the government has identified certain transactions that will be treated as equivalent to actual exports and will receive the same benefits. These are called deemed exports in India. Let's understand in detail: [Read more](#)

### Budget 2023 Analysis - Major Income Tax Highlights

The Indian Finance Minister, Nirmala Sitharaman, presented the Budget 2023 on February 1st, which has brought revolutionary changes for taxpayers and the middle class. The budget introduced a reduction in tax rates and an increase in tax slabs, which will benefit individuals. Let's understand in detail: [Read more](#)

### Income Tax Clearance Certificate in India - When Do You Need It?

Who need to obtain tax clearance certificates in India can be divided into two categories: those who are not domiciled in India and those who are domiciled in India. It sets the stage for a detailed discussion on the requirements for tax clearance certificates in India. Let's understand in detail: [Read more](#)

### Foreign Tax Credit in India - How to Avoid Double Taxation in India?

Most countries provide foreign tax credit to their citizens to avoid double taxation. India also extends foreign tax credit benefits to its taxpayers through unilateral relief and bilateral relief methods. However, taxpayers need to be aware of the provisions of the Double Taxation Avoidance Agreement (DTAA) and the Income Tax Act, 1961 while calculating their tax liability and foreign tax credit. Let's understand in detail: [Read more](#)

### Key Highlights From Budget 2023-24 On GST Law

The Indian Finance Minister, Nirmala Sitharaman, presented the Budget 2023 on February 1st, which brought significant changes for taxpayers and the middle class. This paragraph introduces an article that covers the key highlights of the budget's changes to the Goods and Services Tax (GST) law, with interpretation and analysis by industry experts. Let's understand in detail: [Read more](#)





## Next big agenda is adding more tax payers: CBIC chairman Vivek Johri

The government collects taxes at each stage of the supply chain, but in the case of unregistered sellers, the government does not receive taxes at the final stage. It highlights the importance of sellers registering with the government in order to ensure that the taxes are collected properly. Let's understand in detail: [Read more](#)

## CBIC says won't object to a petitioner going to HC in absence of GSTAT

This is recent news regarding, "CBIC says won't object to a petitioner going to HC in absence of GSTAT" dated 14.02.2023 Official source Business Standard. Let's understand in detail: [Read more](#)

## CBIC will use property tax data, and electricity bills to increase GST base

The CBIC Chairman who stated that the tax base under the GST system has increased significantly from Rs 45-50 lakh to Rs 1.4 crore. The Chairman further mentioned the potential to increase the tax base even more, and proposed to collaborate with power distribution companies to gather data from electric meters and property tax records to achieve this goal. Let's understand in detail: [Read more](#)

## DGGI starts prosecution against e-insurance intermediary: GST Bogus invoices

GST authorities have proposed prosecution against insurance intermediaries for allegedly generating fake invoices which are around 100 cr. rupees in the name of marketing and sales. Let's understand in detail: [Read more](#)

## GST scam in Gujarat: 1500 Aadhaar cards used illegally to generate bogus GST numbers

The state GST department has unearthed a scam with a new modus operandi where 1,500 Aadhaar cards were illegally used in the past eight months to generate bogus GST registration numbers. Let's understand in detail: [Read more](#)

## Bonus Issue of Shares in India – A Complete Guide

The bonus issue of shares is a method that allows a company to increase its number of shares and share capital by transferring the amount from the reserves of the company. This method enables the company to issue new shares and distribute its profits to shareholders. Let's understand in detail: [Read more](#)

## Process of Conversion of LLP to Private Limited Company

Startups prefer the company format over other business constitution formats in India. The article outlines the benefits and process of conversion from an LLP to a private limited company. Let's understand in detail: [Read more](#)

## Preferential Allotment Under the Companies Act, 2013 – Step by Step Procedure

The Article discusses different methods that companies use to raise capital for growth and expansion. It highlights the issue of equity and mentions some popular methods used by companies for this purpose, including debt from financial institutions, public funding, and the issue of equity. Read more: Let's understand in detail: [Read more](#)

## Declaration of Dividends by Companies – Legal Guide on Section 123

The distribution of profits in companies is different from partnerships as companies distribute profits by declaring dividends to shareholders. In contrast, partners in a partnership firm or LLP distribute profits based on a predetermined profit-sharing ratio. Let's understand in detail: [Read more](#)

## Consumer Affairs Ministry calls for strict implementation of new packaging rules

The Ministry of Consumer Affairs has authorized state legal metrology officers to implement new packaging rules strictly on applicable products. Companies must now declare over 10 details on the product packaging for the benefit of consumers. Let's understand in detail: [Read more](#)



## Edible oil makers get additional 6 months to remove packing temperature details

Indian government has granted a six-month extension until July 15, 2023, for edible oil manufacturers, importers, and packers to declare net quantity in terms of weight and volume on the labels instead of temperature at the time of commodity packing. This initiative is intended to curb unfair business practices. Let's understand in detail: [Read more](#)



# QUOTE OF THE MONTH

"Success is not how high you have climbed, but how you make a positive difference to the world."

- *Roy T. Bennett*



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