

LUNAWAT BULLETIN

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LUNAWAT & CO

MARKET WATCH

Sensex : 31/10/2023: **63892.03**
30/09/2023: **65797.39**

Nifty : 31/10/2023: **19082.75**
30/09/2023: **19637.05**

AROUND THE GLOBE

SMALLCAP STOCK ZOOMS 20% ON 'TESLA' CONTRACT.

Shares of Urja Global surged 20% after announcing an agreement with Tesla Power India for manufacturing and supplying batteries under the Tesla Power USA brand. Urja Global will be the manufacturer and supplier partner of batteries in India. The smallcap Indian company is in the renewable energy sector and is involved in the design, supply, and maintenance of off-grid and grid-connected solar power plants as well as the application and trading of solar and lead-acid batteries. The company was also directed by SEBI to obtain certification of the authenticity of corporate announcements.

TVS CREDIT RECORDS 40 PER CENT GROWTH IN Q2 NET PROFIT AT RS 134 CR

The company had registered a net profit at Rs.96 crore during the corresponding quarter of last financial year. For the six month period ended September 30, 2023 the net profit stood at Rs.252 crore, the company said on Sunday. The company's AUM as of September 23 grew by 14% to Rs.23,516 crore as compared to Rs.20,602 crore as of March 23.

PNB HOUSING FINANCE LOOKS TO REDUCE COST OF FUND, MAINTAIN NIM AT 3.95%

PNB Housing Finance, a mortgage lender backed by General Atlantic Singapore, is eyeing to maintain net interest margin at a little below 4% and while putting a curb on the rising cost of funds. The lender is now eligible to access refinance from the National Housing Bank at a lower-than-market rate following the improvement in asset quality while an expected rating upgrade would help it borrow funds from the market at a lower rate.

DALAL STREET WEEK AHEAD: NIFTY LIKELY TO EXTEND GAINS; PROTECT PROFITS AT HIGHER LEVELS

From a technical perspective, the market formed an Inside Bar on the charts as Nifty formed a lower high and higher low. More importantly, Nifty defended the strong support zone of 18,850-18,900 levels. As of now, unless violated, this zone remains a very strong support zone for Nifty.

COMPLIANCE DUE DATES

Due Date	Relates to	Particulars
07.11.2023 (Tuesday)	TDS/TCS	<ul style="list-style-type: none"> • Deposit of Tax deducted/collected for the month of October, 2023.
10.11.2023 (Friday)	GST	<ul style="list-style-type: none"> • File GSTR -7 by TDS Deductor for the period of October, 2023. • File GSTR -8 by TCS Collector for the period of October, 2023.
11.11.2023 (Saturday)	GST	<ul style="list-style-type: none"> • File GSTR -1 for taxpayers whose turnover exceeding 5 crore for the month of October, 2023.
13.11.2023 (Monday)	GST	<ul style="list-style-type: none"> • File GSTR -6 by Input Service Distributor for the month of October, 2023. • File GSTR-5 by Non-Resident Taxpayers and ODIAR services provider for the month of October, 2023. • File GSTR-1 IFF for taxpayers whose opted for Quarterly filing as per QRMP Scheme.
14.11.2023 (Tuesday)	TDS/TCS/ Income Tax	<ul style="list-style-type: none"> • Issue TDS Certificate for tax deducted under <u>section 194-IA,194-IB,194S and 194M</u> in the month of September, 2023.
15.11.2023 (Wednesday)	TDS/TCS/ Income Tax	<ul style="list-style-type: none"> • Furnish Form 16A-Quarterly TDS certificate (in respect of tax deducted for payments other than salary) for the quarter ending September 30, 2023. • Furnish of Form 24G by an office of the Government where TDS/TCS for the month of October, 2023 has been paid without the production of a challan. • Furnish statement in Form No. 3BB & 3BC by a stock exchange & recognised association in respect of transactions in which client codes been modified after registering in the system for the month of October, 2023

COMPLIANCE DUE DATES

Due Date	Relates to	Particulars
15.11.2023 (Wednesday)	PF/ESI	<ul style="list-style-type: none"> • Deposit of ESI & PF collected during the month of October, 2023.
18.10.2023 (Wednesday)	GST	<ul style="list-style-type: none"> • Furnish CMP-08 for the taxpayers who have opted for return filing under QRMP Scheme.
20.11.2023 (Monday)	GST	<ul style="list-style-type: none"> • File GSTR-5A by Input Service Distributor for the month of October, 2023. • File GSTR -3B for taxpayers whose turnover exceeding 5 crore or opted to file monthly return for the month of October, 2023.
24.11.2023 (Friday)	GST	<ul style="list-style-type: none"> • File GSTR -3B for taxpayers whose opted for Quarterly filing as per QRMP Scheme.
28.11.2023 (Tuesday)	ROC	<ul style="list-style-type: none"> • Due date to File Form MGT-7 & Form MGT-7A - 60 days from the conclusion of the AGM or 28th November 2023 (Which Ever is Earlier).
30.11.2023 (Thursday)	TDS/TCS/ Income Tax	<ul style="list-style-type: none"> • Issue of TDS Certificate for tax deducted under <u>section 194-IA, 194-IB, 194S and 194M</u> in the month of October, 2023. • Furnish return of income for the assessment year 2023-24 in the case of an assessee if he/it is required to submit a report under <u>section 92E</u> pertaining to international or specified domestic transaction(s). • Furnish report in Form No. 3CEAA by a constituent entity of an international group for the accounting year 2022-23. • Furnishing of Return of Income in Form ITR-7 for the Assessment Year 2023-24 in the case of assessee's referred to in clause (a) of Explanation 2 to section 139(1).

INCOME TAX

EXTENSION OF DUE DATE FOR FILING FORM 56F

CBDT through its circular extended the due date for filing of form 56F (report of accountant to be filed u/s 10AA(8) read with clause 10A(5) for ay 23-24 to 31st December 2023. CBDT in order to avoid any difficulty caused in filing the same, released the format of form 56F through its notification dated 19/10/2023.

CONDONATION OF DELAY IN FILING OF FORM 10-IC FOR THE AY 21-22

With a view to avoid genuine hardship to the domestic companies in exercising the option u/s 115BAA of the Act, CBDT decided to condone the delay caused in filing of Form 10-IC within due date or extended due date for the AY 21-22 provided the following conditions are met:

- ITR for the relevant year has been filed within the due date
- The assessee co has opted for taxation u/s 115BAA in part A of filing status.
- Form No. 10-IC is filed electronically on or before 31.01.2024 or 3 months from the end of the month in which this Circular is issued, whichever is later.

CBDT PROVIDES CERTAIN RELAXATIONS TO CHARITABLE INSTITUTIONS FOR REPORTING DETAILS ABOUT SIGNIFICANT DONORS AND THEIR RELATIVES/CONCERNS IN AUDIT REPORT

CBDT provides relaxation to charitable institutions in providing details of Significant Donors and its relatives/concern in audit report for tax year 2022-23. The CBDT provides that for the purposes of reporting in audit report, any person who has given donation of more than INR 0.05m during the tax year may be considered as Significant Donor and past years donation may not be reckoned for the purposes of such reporting. Also, details of relatives/Concerns of such Significant Donor may be reported 'if available'.

INCOME TAX

CBDT INTRODUCES FORM 15CD FOR IFSC UNIT REMITTANCES

CBDT has introduced significant changes in the realm of tax regulations, amending rule 37BB and introducing a new Form No. 15CD. These changes primarily pertain to the furnishing of a quarterly statement by a unit of an International Financial Services Centre (IFSC) in respect of remittances. The effective date of these amendments is set for the 1st day of January, 2024.

INCOME TAX AMENDMENT: LATEST CHANGES IN ITR-7 FORMS

CBDT introduces alterations to Form ITR-7, affecting both Part B-TI and Part B-TTI sections. In Part B-TI, serial number 16 now addresses specified income chargeable under section 115BBI, taxed at 30%, and serial number 17 calculates the aggregate income to be taxed at normal rates. Part B-TTI, serial number 1a, calculates tax at normal rates based on the modifications in Part B-TI. The amendment brings clarity and streamlines the tax calculation process for the specified assessment year.

CBDT AMENDS RULE 114B, RULE 114BA, RULE 114BB & FORM NO. 60

CBDT in a notification has said that Permanent Account Number (PAN) will not be required for non-resident individuals and foreign companies opening bank accounts in GIFT IFSC. Such non-residents must not have any other taxable income in India. Non-residents can now file Form 10F without PAN. Form 10F is a self-declaratory statement required from the non-resident taxpayers as covering of Tax Residency Certificate and get relief on TDS on income accruing from India. They can instead provide Form 60 to the banks for their transactions. A new option of 'Non-Residents not holding and not required to have PAN' is now available on income tax portal's registration tab. A one-time password is required for registration and the user shall be required to provide his details and the details of key persons in India.

It is aimed at boosting the liability and deposits segment and the retail business segment of banks in IFSC. Summarily, it will benefit overseas firms wanting to set up treasury management operations, global institutional investors as well as non-residents who want to set up investment funds and other financial structures at GIFT IFSC.

GOODS & SERVICE TAX

VALUE OF SUPPLY IN CASE OF CORPORATE GUARANTEE

The value of supply of services by a supplier to a related person, by way of providing corporate guarantee to any banking company or financial institution on behalf of the said recipient, shall be deemed to be one per cent of the amount of such guarantee offered, or the actual consideration, whichever is higher. It is also clarified that even if corporate guarantee or personal guarantee by director is provided without consideration, the same shall be treated as supply of service.

CHANGE IN TIME LIMIT FOR REMOVAL OF ENCUMBRANCE

Where the Commissioner attaches any property to protect the interests of the Government revenue, the Commissioner shall send a copy of the order of attachment to the concerned authority to place encumbrance on the said property, which shall be removed only on the written instructions from the Commissioner to that effect or on expiry of a period of one year from the date of issuance of order, whichever is earlier.

CLARIFICATION REGARDING GST IMPLICATIONS OF SUPPLY OF ELECTRICITY BY REAL ESTATE COMPANIES

Whenever electricity is being supplied bundled with renting of immovable property and/or maintenance of premises, it is a composite supply wherein renting of immovable property is principal supply and supply of electricity is an ancillary supply. Hence, GST rate on renting of immovable property would be applicable.

CLARIFICATION REGARDING GST RATE ON MALT-

It has been clarified that job work services in relation to manufacture of malt are taxable @5% and not @18% irrespective of its end use i.e. manufacture of alcoholic liquor.

GOODS & SERVICE TAX

CLARIFICATION REGARDING PLACE OF SUPPLY

a) In cases of supply of space for display of hoardings to an advertising company by a vendor, the place of supply of that service (including service of architects, surveyors etc) shall be the location of such hoarding/structure.

b) Co location is a facility in which a business/company can rent space for its own servers and hardwares. It is not limited to making immovable property available to a customer but also includes providing network connectivity, power supply etc. The place of supply in this case shall be the location of recipient of service.

CLARIFICATION REGARDING EXPORTS

One of the condition for supply of service to qualify as an export of service is that the payment for such service has been received by the supplier of service in convertible foreign exchange or in Indian rupees wherever permitted by RBI. The same shall be considered to be fulfilled if the Indian exporters, undertaking export of services, are paid the export proceeds in INR from the Special Rupee Vostro Accounts of correspondent bank(s) of the partner trading country, opened by AD banks.

COMPANY LAW

MCA NOTIFIED SECTION 5 OF THE COMPANIES (AMENDMENT) ACT, 2020 EFFECTIVE FROM OCTOBER 30, 2023

This amendment allows public companies with the flexibility to list their securities on foreign stock exchanges and includes provisions for exemptions by the Central Government.

MANDATORY DEMATERIALIZATION OF SHARES FOR NON-SMALL PRIVATE COMPANIES

The Ministry of Corporate Affairs mandating all private companies but excluding small companies, to dematerialise their shares before October 1, 2024.

MINISTRY OF CORPORATE AFFAIRS NOTIFIED THE COMPANIES (INCORPORATION) THIRD AMENDMENT RULES, 2023 TO AMEND THE COMPANIES (INCORPORATION) RULES, 2014. THE PROVISIONS CAME INTO EFFECT ON 21-10-2023

The shifting of the registered office will be allowed, if the management of the company has been taken over by new management, following the resolution plan mentioned under Section 31 of the Insolvency and Bankruptcy Code, 2016, and no appeal is pending in any Court or Tribunal and no inquiry, inspection, investigation is pending or initiated after the approval of the resolution plan.

GOVT NOTIFIES EXEMPTION FROM IBC SECTION 14 FOR AIRCRAFT-RELATED DEALS

In a significant development, the Ministry of Corporate Affairs, Government of India, has issued a notification exempting certain transactions, arrangements, or agreements related to aircraft, aircraft engines, airframes, and helicopters from the provisions of Section 14(3)(a) of the Insolvency and Bankruptcy Code, 2016 (IBC). This notification, dated October 3, 2023, is a notable step in aligning Indian regulations with international conventions.

COMPANY LAW

MCA AMENDS LLP RULES WHICH MANDATES ALL LLPS TO DECLARE BENEFICIAL INTEREST & KEEPING OF REGISTER FOR PARTNERS

As per the amended rules, if any person holds any beneficial interest in contribution, he must file a declaration to that effect in Form 4B within 30 days from the date on which his name is entered in the register.

However, if any change occurs in the beneficial interest in such contribution, the registered partner must make a declaration of such change to the LLP in Form 4B within a period of 30 days from the date of such change.

Every person who holds or acquires a beneficial interest in the contribution of an LLP but his name is not registered in the register of partners must file with LLP a declaration disclosing interest in Form 4C within a period of 30 days after acquiring such beneficial interest in the contribution of the LLP specifying the nature of interest, particulars of the partner in whose name the contribution stand registered in the books of the LLP.

Further, every LLP must maintain a register of its partners in Form 4A from the date of its incorporation. The register must be kept at the registered office of LLP. The register of partners must contain the following particulars, in respect of each partner, namely -

- (a) Name of partner, address, email address, PAN or CIN, Unique Identification Number (UIN) if any, father or mother or spouse's name, occupation, status, nationality, name and address of the nominee.
- (b) Date of becoming a partner
- (c) Date of cessation
- (d) Amount and nature of contribution (indicating tangible, intangible, movable, immovable or other benefit to the LLP including money, promissory notes, other agreements to contribute cash or property, and contracts for services performed or to be performed) with monetary value and
- (e) Any other interest, if any.

Also, the entries in the register must be made within 7 days pursuant to any change made in the contribution amount or in the name and details of the partners in the LLP agreement, or in cases of cessation of partnership interest.

LUNAWAT UPDATE

Articles & Presentations:

During October 2023 , CA Pramod Jain gave following presentations:

1. Presentation on Networking : Connect Share and Grow made at:
 - ICAI - CMP Jaipur

During October 2023 , CA Rajesh Saluja gave following presentations:

- Online presentation for Delloitte India on topic Finance for Non Finance.



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