

DEVMANTRA TIMES

MARCH EDITION

ISSUE NO : 25, DATE : 1ST MARCH 2023

Dear Readers,

We welcome you to the **Twenty Fifth** edition of **Devmantra Times** for the month of **March 2023**.

Economic Updates

India's economic growth estimate for 2023 reached 5.5 per cent from 4.8 per cent pegged earlier, on the back of a sharp increase in capital expenditure in the Budget and a resilient economic momentum.

The central government continued with its capital expenditure push in the recently announced Union Budget. In 2023-24, capex is budgeted at Rs 10 lakh crore which will constitute 3.3 per cent of GDP. The RBI in its Bulletin said that if effectively implemented, it can take India's real GDP growth **close to 7 % in FY 24**.

National Statistics Office's full-year forecast for the year ending March 31 remained unchanged at 7.0 percent, ranking India's economic outlook above every other major country.

Start up Updates

- Mobile gaming platform Simple Viral Games has reportedly raised Rs 4 crore in a pre-seed round led by WEH Ventures.
- Evera, a Delhi-based EV cab service provider, has reportedly raised \$7 Million in multiple tranches as part of its Pre-Series A round of funding.

- Tea-cafe chain Chaayos' net loss reportedly widened 35% year-on-year to INR 71.2 Crore in the financial year 2021-22.

- Value Quest Investment Advisors has entered into the private equity space with its new fund. The company further plans to raise up to INR 1,000 Crore for the new fund which it plans to invest primarily in late-stage opportunities, Mint reported.

- Matrimony startup, Betterhalf, is said to have raised \$8.5 Million in its Series A funding round. The round saw the participation of FinSight Ventures, Rebel Fund and Nurture Ventures.

- Global investment firm B Capital has reportedly closed its maiden Healthcare Fund I along with Growth Fund III at over \$500 Million. The fund will primarily invest in startups working in the healthcare sector, including digital health and biotech. Bounce, BYJYU'S, Khatabook, Meesho, PharmEasy, Yubi and Dailyhunt are some of its India portfolio startups.

- Pune-based fitness startup Fitrr has laid off nearly 11% of its workforce, reported Inc42



Why this Volume of Newsletter is important for reader?

Through the series of this newsletter, we aim at covering all relevant Income Tax, Goods & Service Tax and Companies Act notification, circulars and case laws which may directly or indirectly impact our readers.

Devmantra was founded based on the unalterable premise of excellence, acuity, integrity and an unwavering commitment to delivery. These principles continue to form the edifice of our approach as an organization, to our clients, our professionals and our community, and this has served us well in our journey so far. This approach has allowed Devmantra to work with and advise the very best clients, both in India and internationally.

We encourage our people to strive for excellence and innovation within a meritocratic working environment and support their entrepreneurial spirit. It is our consistent endeavour with our people, to ensure that they imbibe the culture of the firm and form part of the

DEVMANTRA TIMES

MARCH EDITION

ISSUE NO : 25, DATE : 1ST MARCH 2023

weft and weave of the fabric of Devmantra.

Our core values remain the guiding principles for everything we do, and we would like to emphasize "Knowledge" as one of the fundamental beliefs which drive the success of our operations. As we keep on reiterating, Knowledge is our number one priority. We don't count time when it comes to gain any new knowledge or to reinstate the earlier one. Our clients trust our expertise and putting countless hours in keeping ourselves up to date on the subject we are advising on, deserve their trust.

Regards,

CA.PRATIK NIYOGI, FCA
On behalf of the Editorial Team



The Editorial Team



GST REGULATORY UPDATES **INSTRUCTION NO. 1/60776/2023,** **DATED 06-02-2023**

CBIC directed dept. to issue discharge certificate under SVLDRS, 2019 which are pending due to technical reasons

Editorial Note : The CBIC has issued instructions to the department to issue discharge certificates to those who fulfilled all requisites under SVLDRS, 2019 and which are pending due to technical reasons.

Recommendations of 49th GST Council Meeting: Press Release
Editorial Note : The 49th GST Council met under the Chairpersonship of Union

Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman in New Delhi. The recommendations made by the GST Council in its 49th Meeting were:



DEVMANTRA TIMES

MARCH EDITION

ISSUE NO : 25, DATE : 1ST MARCH 2023

A. Amnesty Schemes

Situation	Scheme
Registration has been cancelled on account of non-filing of the returns but application could not be filed within time limit	To allow one-time filing of application for revocation up to a certain specific date
Non-filing of GST returns within 30 days as per Section 62(2)	Conditional Deemed withdrawal of Best Judgement Assessment Order us 62 in past cases if GST and Interest paid and returns filed with late filing fees up to specified date
Pending returns in FORM GSTR-4, FORM GSTR-9 and FORM GSTR-10	Conditional waiver/ reduction of late fee

B. Trade facilitation measures- Amendments in GST law/Rules

Extension of time limit for application for revocation of cancellation of registration by amending Section 30 and Rule 23

Particulars	Current	Proposed
Normal Time limit	30 days	90 days
Extended time limit by Joint/ Additional Commissioner	Additional 30	
Extended time limit by Commissioner or an officer authorized by him	Additional 30 after days	60 Additional 180 days after 90 days

DEVMANTRA TIMES

MARCH EDITION

ISSUE NO : 25, DATE : 1ST MARCH 2023

Consequent Amendment

Amendment in Section 62(2) of CGST Act, 2017 to extend timeline from 30 days to 60 days and extendable by another 60 days, subject to certain conditions for filing of pending GST returns and enabling deemed withdrawal of assessment order.

C. Late Filing Fees Reduced

Late filing fees for GSTR-9 (Aggregate turnover up to 5 Crs.)-Rs50 per day from 200 per day

Late filing fees for GSTR-9 (Aggregate turnover more than 5 Crs. But up to 20 Crs.)-Rs.100 per day from Rs. 200 per day.

D.GST under RCM is payable by recipient of services on services provided by the Courts and Tribunals also in respect of taxable services supplied by them such as renting of premises to telecommunication companies for installation of towers, renting of chamber to lawyers etc.

E.To extend the exemption available to educational institutions and Central and State educational boards for conduct of entrance examination to any authority, board or a body set up by the Central Government or State Government including National Testing Agency

Advisory on New e-Invoice Portal: GSTN Update

Editorial Note : GSTN has issued an update to inform that it has onboarded four new IRPs (Invoice Reporting Portals) for reporting e-invoices in addition to NIC-IRP. As a result, the beta launch of a new e-Invoice portal (<https://www.einvoice.gst.gov.in>), has been done where taxpayers can find comprehensive information on e-invoice compliance in a user-friendly format.

1.GSTN has onboarded four new IRPs (Invoice Reporting Portals) for reporting e-invoices in addition to NIC-IRP. As a result, the beta launch of a new e-Invoice portal (www.einvoice.gst.gov.in), has been done where taxpayers can find comprehensive information on e-invoice compliance in a user-friendly format, such as check your enablement status, self-enable themselves for invoicing, search for IRNs, web links to all IRP portals – all the relevant links/information in one convenient location. Taxpayers can log in to the new e-invoice portal using their GSTN credentials for select services pertaining to their GSTIN profiles.



2. Taxpayers may note that the portal einvoice.gst.gov.in is reference site for all masters (data), news and updates, latest releases etc. For registering e-invoices and to access APIs, you still need to go to einvoiceX.gst.gov.in sites. The urls of IRPs sites authorised to generate IRNs as on date are as follows:

URL

URL Activation Status
einvoice1.gst.gov.in

Active
einvoice3.gst.gov.in

Shall be available soon
einvoice4.gst.gov.in
einvoice6.gst.gov.in

Also, at the helpdesk for e-invoice issues, for supporting the taxpayers vis-a-vis IRP issues is available at our Grievance Redressal Portal selfservice.gstsystem.in where the relevant IRP can be selected using the dropdown created for each of the private IRP.

DEVMANTRA TIMES

MARCH EDITION

ISSUE NO : 25, DATE : 1ST MARCH 2023

Advisory on opting for payment of tax under forward charge mechanism by Goods Transport Agency: GSTN Update

Editorial Note : In compliance of Notification No. 03/2022-Central Tax (Rate), dated 13th July, 2022, an option is provided on the portal to all the existing taxpayers providing Goods Transport Agencies Services, desirous of opting to pay tax under the forward charge mechanism to exercise their option. They can navigate Services > User Services > Opting Forward Charge Payment by GTA (Annexure V), after login, to submit their option on the portal.



Introduction of negative values in Table -4 of Form GSTR-3B(-SummaryReturn)

Background

Central Board of Indirect Taxes & Customs(CBIC)videNotification-No.14/2022–Central Tax dated 5 July 2022 has notified certain-changes relating to furnishing of information regarding Input Tax-Credit(ITC)

availed, reversal thereof and ineligible ITC in Table 4 of Form GSTR-3B. Post those changes, the net ITC claimed & ITC reversal is required to be reported in Table 4A and Table 4 B of Form GSTR-3B respectively. Currently in Form GSTR-3B, ITC for credit note is being auto - populated in Table 4B(2) as ITC Reversal which is not correct.

What is Table 4A and 4B?

Under Table 4A, tax payer is required to report details of ITC available whereas under Table 4B, taxpayer is required to report details of ITC reversed.

Changes in GST portal

The impact of credit note shall be considered on net off basis in Table 4A of Form GSTR-3 B only. Accordingly, following changes have been made applicable on the GST Portal from January 2023 onwards.

- The impact of credit note and its amendment



shall now be auto - populated in Table 4A. In case where the value of credit note becomes higher than gross ITC available, net ITC would become negative and taxpayer will be allowed to report negative ITC in Table 4A

- Consequent modification in the advisory, messages, instructions and help-text in Form GSTR-2B (statement containing details of ITC), (without any structural changes in Form GSTR-2B summary or tables) have also been done in Form GSTR-2B. The calculation logic of ITC Comparison Report (GSTR-3B vs GSTR-2B) has now been changed accordingly

Details	Integrated Tax (₹)	Central Tax (₹)	State/UT Tax (₹)	CRWD (₹)
(1) Import of goods	0.00			0.00
(2) Import of services	0.00			0.00
(3) Domestic supplies (other than reverse charge supply as in 4 & 5 above)	0.00	0.00	0.00	0.00
(4) Domestic supplies from IED	0.00	0.00	0.00	0.00
(5) All other ITC	0.00	-1,000.00	-1,000.00	0.00
(6) ITC Reversed		0.00	0.00	0.00
(7) As per rules 86(4) & (5) of CGST Rules and section 47(1) of		0.00	0.00	0.00
(8) Others		0.00	0.00	0.00
(9) Net ITC Available (A) - (B)		-1,000.00	-1,000.00	0.00
(10) Other details				

DEVMANTRA TIMES

MARCH EDITION

ISSUE NO : 25, DATE : 1ST MARCH 2023

RECENT JUDICIAL RULINGS ON GST SECTION 29 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - REGISTRATION - CANCELLATION OF

Cancellation of registration for not filing return will adversely affect business operation of assessee; High Court directs the authority to give fresh hearing - Shree Siddhivayak Publications v. Joint Commissioner - [2023] 148 taxmann.com 8 (TELANGANA)



SECTION 73 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - DEMANDS AND RECOVERY - TAX OR INPUT TAX CREDIT DUE NOT INVOLVING FRAUD MISSTATEMENT OR SUPPRESSION

Assessment proceedings suffered from serious procedural errors when proper show cause notice and order were not issued but amounts were debited from ledgers by department; High Court directed issuance of fresh SCN - Solex Energy Ltd. v. State of Jharkhand - [2023] 148 taxmann.com 7 (Jharkhand)

Since petitioner was denied a valuable right of filing its submission in response to intimation in Form GST DRA-01A, order passed by respondent-revenue under section 73(9) was to be quashed and matter was remitted back to Competent Authority - Ravi Enterprises v. Commissioner of State Tax - [2023] 148 taxmann.com 5 (Uttarakhand)

SECTION 83 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - DEMANDS AND RECOVERY - PROVISIONAL ATTACHMENT

Writ petition was disposed of with direction petitioner to approach concerned Authority for release of its bank account - Chotu Lal v. Union of India - [2023] 148 taxmann.com 10 (Bombay)

SECTION 107 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - APPELLATE AUTHORITY - APPEALS TO

Appellate order holding appeal filed after delay of 21 days as time barred was not sustainable; High Court directed Appellate Authority to accept memorandum of appeal and pass order on merits - Sikha Debnath v. Assistant Commissioner of State Tax, Cooch Behar - [2023] 148 taxmann.com 6 (Calcutta)

Appeal filed without praying for extension of time could not be rejected solely on limitation as Appellate Authority had power to extend time; High Court granted liberty to taxpayer to apply for extension of time to file appeal - Shivnath Singh v. Assistant Commissioner, Jalpaiguri Division - [2023] 148 taxmann.com 11 (Kolkata)

SECTION 169 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - NOTICE, SERVICE IN CER- TAIN CASES

Methods of service adumbrated in section 169 of TNGST Act, 2017 are not conjunctive but alternate methods of service; where impugned order was uploaded or made available in common portal on same day, therefore, section 169 was complied with - New Grace Automech Products (P.) Ltd. v. State Tax Officer - [2023] 148 taxmann.com 9 (Madras)



DEVMANTRA TIMES

MARCH EDITION

ISSUE NO : 25, DATE : 1ST MARCH 2023

INCOME TAX REGULATORY UPDATES



NOTIFICATION NO. 03/2023, DATED 07-02-2023 **CBDT notifies Centralised Processing of Equalisation Levy Statement Scheme, 2023**

Editorial Note : The Central Board of Direct Taxes (CBDT) has notified the Centralised Processing of Equalisation Levy Statement Scheme, 2023. This Scheme is applicable in respect of processing of the Equalisation Levy Statements.

NOTIFICATION NO. 04/2023, DATED 10-02-2023 **CBDT notifies Income-tax return forms for AY 2023-24**

Editorial Note : The Central Board of Direct Taxes (CBDT) has notified the Income-tax Return (ITR) forms for the Assessment Year 2023-24. These forms are applicable for filing the return for income earned/accrued during the Financial Year 2022-23. Filing of ITR forms shall start from 01-04-2023.

NOTIFICATION NO. 05/2023, DATED 14-02-2023 **CBDT notifies ITR-7 applicable**

for AY 2023-24 Editorial Note :

The Central Board of Direct Taxes (CBDT) has notified the Income-tax Return (ITR) form 7 applicable for filing of return for the Assessment Year 2023-24.

Earlier, vide notification No. 04/2023, dated 10-02-2023, the board notified ITR forms 1 to 6.

PRESS RELEASE, DATED 15-02-2023

ITR forms for AY 2023-24 are notified with no significant changes: CBDT

Editorial Note : CBDT notified Income-tax Return Forms (ITR Forms) for the Assessment Year 2023-24 vide Notifications No. 04 & 05 of 2023 dated 10.02.2023 and 14.02.2023. No significant changes have been made to the ITR Forms in comparison to last year's ITR Forms to improve ease of filing.

NOTIFICATION NO. 7/2023, DATED 21-02-2023

CBDT notifies new audit reports to be furnished by charitable or religious trusts and other institutions

Editorial Note : The Central Board of Direct Taxes (CBDT) has notified new Form 10B and Form 10BB that are required to be furnished by charitable or religious

trusts, institutions, universities, or other educational institutions under section 10(23C) and section 12A. Key changes in reporting obligations under Forms 10B and 10BB. The annexure to audit reports in Forms 10B and 10BB requires reporting on various aspects. The notification has significantly expanded the scope of details to be furnished in the annexure, such as the below:

- New reporting requirements introduced in terms of registration details, management details, objects of the charitable trusts / institutions, commencement of activities, advancement of general public utility, with holding tax on receipts as per different provisions of the law, voluntary contributions, details of taxable income u/s 115BBI, special computation provisions u/s 13(10), disclosure of violations, etc.
- Scope of existing reporting requirements expanded to include application of voluntary contribution

The revised reporting requirements are manifold both inscope and detail. While some of the reporting requirements are aligned with disclosures in Form ITR-7 (i.e., relevant income - tax return form), many others are to be reported by way of additional details.

DEVMANTRA TIMES

MARCH EDITION

ISSUE NO : 25, DATE : 1ST MARCH 2023

The revised audit report, particularly-Form 10B, is more elaborate and requires exhaustive disclosure. Compiling the information for FY2022-23 may be a herculean task for charitable trusts/institutions, especially since the revised form has been prescribed towards end of the current FY. The duty and extent of vigilance required by Chartered Accountant (auditor) also stands increased.

Equalization Levy (EL) - CBDT notifies scheme for processing of EL statement / return submitted by taxpayer

EL provisions were inserted vide Chapter VIII of the Finance Act, 2016 (Act) (amended by Finance Act, 2021). Commonly also known as 'google tax', it is a tax levied @ 6% on consideration received by a non-resident for any specified service (such as online advertising, provision of digital advertising space or any other facility / service for online advertising) provided to a resident in India or a non-resident having Permanent Establishment (PE) in India.

The scope of EL was extended few years back to cover consideration received by an e-commerce operator from e-commerce supply or services

made / provided / facilitated by it to a person resident in India. The rate of EL in such cases is 2% of the consideration.

EL is required to be deposited in India on monthly basis by the concerned taxpayers. An annual statement / return in Form 1 is required to be submitted by 30th June of every year.

Notification no. 3 dated 7 February 2023 issued by CBDT

Vide the said notification, CBDT has notified the 'Centralised Processing of Equalisation Levy Statement Scheme, 2023, specifying the below procedure for processing of annual EL statement / return by Centralised Processing Centre (CPC) of Income-tax department.

- EL shall be computed after adjusting for any arithmetical error in the EL statement / return
- Interest (if any) shall be computed based on the sum deductible or payable as computed in the EL statement / return
- Sum payable by, or the amount of refund due to, the assessee shall be determined after adjustment of the amount computed under sections 166(2)(b), 166A, 170, and any

amount paid otherwise by way of tax or interest;

- Time limit for sending intimation shall be 1 year from the end of the FY in which the EL statement / return or revised EL statement / return is furnished

- Amount of refund computed, if any shall be duly granted to the taxpayer

- Taxpayer may apply to tax authority for amendment of intimation (if required), within 1 year from end of FY in which intimation was issued

- Taxpayer will not be required to appear in person before CPC, in connection with any proceedings. Written or electronic communication with CPC shall be sufficient.

RECENT JUDICIAL RULINGS ON INCOME TAX

SECTION 32 OF THE INCOME-TAX ACT, 1961 - DEPRECIATION - ALLOWANCE/ RATE OF SPORTS CAR

Where assessee, a leading textile manufacturing company, purchased a luxury sports car which was used for commuting its key managerial personnels, since assessee was a

DEVMANTRA TIMES

MARCH EDITION

ISSUE NO : 25, DATE : 1ST MARCH 2023

was used by directors for personal use, it could not be said that vehicle was personally used by assessee and depreciation on said car was to be allowed - Silver Spark Apparel Ltd. v. Deputy Commissioner of Income-tax, CC-8(1) - [2023] 147 taxmann.com 500 (Mumbai - Trib.)

FCCB : Where assessee-company had borrowed funds by issuing Foreign Currency Convertible Bonds (FCCB) which was issued at a premium, since assessee had borne TDS liability on amount of premium payable on FCCB, same had increased cost of asset, accordingly, depreciation was allowable there on - Man Industries (India) Ltd. v. ACIT - [2023] 147 taxmann.com 178 (Mumbai - Trib.)

SECTION 37(1) OF THE INCOME-TAX ACT, 1961 - BUSINESS EXPENDITURE - ALLOWABILITY OF MAINTENANCE CHARGES

Where assessee, a leading textile manufacturing company, purchased a luxury sports car which was used for commuting its key managerial personnels, since assessee was a private limited company and as per definition of 'person' under section 2(31) was distinct assessable entity, even if vehicle owned by assessee

were used by directors for personal use, it could not be said that vehicle was personally used by assessee and maintenance charges on said car was to be allowed - Silver Spark Apparel Ltd. v. Deputy Commissioner of Income-tax, CC-8(1) - [2023] 147 taxmann.com 500 (Mumbai - Trib.)



SWAP CONTRACT LOSS

Mark-to-market loss on swap contract was allowable where loans were converted into foreign currency loan to take benefit of low interest rate and loss recognized on account of foreign exchange fluctuation as per notified Accounting Standard 11 was an accrued and subsisting liability and not merely a contingent or hypothetical liability - Deputy Commissioner of Income-tax v. Adani Power Maharashtra Ltd. - [2023] 147 taxmann.com 166 (Ahmedabad - Trib.)

SECTION 54B OF THE INCOME-TAX ACT, 1961 - CAPITAL GAINS - TRANSFER OF LAND USED FOR AGRICULTURAL PURPOSE REVISION

Where Principal Commissioner invoked section 263 and held that LTCG claimed on sale of agricultural land was to be disallowed as no agricultural income was accounted for by assessee in its return for relevant assessment year, since assessee made no claim under section 54B in return of income as well as in computation of income which formed part of documentary evidences submitted before Principal Commissioner, exercise of jurisdiction under section 263 was erroneous - Principal Commissioner of Income-tax v. Smt. Rachana Todi - [2023] 147 taxmann.com 291 (Calcutta)

SECTION 60 OF THE INCOME-TAX ACT, 1961 - TRANSFER OF INCOME

Where assessee had written off its investments on account of capital reduction carried out by TGSPL, its group company, and consequently TGSPL converted FCDs held by another group company SARL into equity shares, since there was no nexus between both transactions and

DEVMANTRA TIMES

MARCH EDITION

ISSUE NO : 25, DATE : 1ST MARCH 2023

reduction in share capital had wiped out equity shares held by assessee, said reduction could not result in transfer of profit by assessee to SARL and no additions could be made by invoking section 60 - Teleperformance BPO Holdings (P.) Ltd. v. National Faceless Appeal Centre - [2023] 147 taxmann.com 507 (Mumbai - Trib.)

SECTION 92C OF THE INCOME-TAX ACT, 1961 - TRANSFER PRICING - COMPUTATION OF ARM'S LENGTH PRICE TP ADJUSTMENT - INTEREST

Where assessee-company entered into international transactions with its AE in respect of provision of medical transcription services and provision of IT and IT-enabled services and received outstandings from its AE pertaining to said provisions, since both provisions were intrinsically linked to main transaction, which had already been found to be at arm's length, and average line rate charged by assessee to its AE was higher than rate charged by third party vendors to AE even after including foreign currency loan interest, adjustment made by TPO on account of outstanding receivables

from AE was to be deleted - Aquity Solutions India (P.) Ltd. v. Deputy Commissioner of Income-tax - [2023] 147 taxmann.com 177 (Mumbai - Trib.)

Comparables, functional similarity - Information technology enabled services (ITES) : Where assessee-company was engaged in providing information technology enabled services to its AEs, set of comparable selected by TPO, which were excluded in earlier assessment year 2009-10 on being functionally dissimilar to assessee, in absence of change in functions performed by assessee for earlier years and in current year, were to be excluded from list of comparables during relevant year as well - Principal Commissioner of Income-tax. v. Macquarie Global Services (P.) Ltd. - [2023] 147 taxmann.com 175 (Delhi).

SECTION 226 OF THE INCOME-TAX ACT, 1961 - COLLECTION AND RECOVERY OF TAX - OTHER MODES OF RECOVERY

Maintainability of petition : Order passed by revenue under sub-section (1) of section 200A was appealable before Commissioner

(Appeals) and, hence, in absence of challenge to intimation of demand issued under sub-section (1) of section 200A, writ petition directed against notices issued by revenue under section 226(3) would not be maintainable - Construction Engineers v. Union of India - [2023] 147 taxmann.com 193 (Jammu & Kashmir and Ladakh)



CORPORATE LAW UPDATES

Ministry of Corporate Affairs (MCA) allows submission of e-Form(s) GNL-2 (filing of prospectus related documents), MGT-14 (filing of resolutions for prospectus related documents), PAS-3 (return of allotment of shares), SH-8 (letter of offer for buyback of shares), SH-9 (declaration of solvency) & SH-11 (return of buy

DEVMANTRA TIMES

MARCH EDITION

ISSUE NO : 25, DATE : 1ST MARCH 2023

back of shares) in physical mode during the period from 22nd February 2023 till 31st March 2023, due to technical glitches on account of migration of MCA portal from Version 2 (V2) to Version 3 (V3) Due to the migration of MCA's online portal from V2 to V3, industry is facing inconvenience in submission of following e-forms:

- GNL-2 (filing of prospectus related documents)
- MGT-14 (filing of resolutions for prospectus related documents)
- PAS-3 (return of allotment of shares)
- SH-8 (letter of offer for buyback of shares)
- SH-9 (declaration of solvency)
- SH-11 (return of buyback of shares)



Since the above forms are required to be filed frequently, MCA vide circular dated 22nd February 2023 has allowed filing

of said forms in physical mode during the period 22nd February 2023 till 31st March 2023. The procedure for physical filing is given below.

- Company shall take printouts of the above forms, fill all the details manually and obtain physical signatures of the directors / key managerial persons (KMPs) on the hard copy
- Company shall deliver the forms physically to the office of Registrar of Companies (RoC) as well as e-mail it to the official e-mail address of the RoC. The company shall submit a written undertaking to the RoC that once the e-forms are enabled for submission on the online portal, the company shall do so electronically along with applicable filing

fee (no late fee shall be levied till 31st March 2023, as clarified vide circular dated 21st February 2023)

- At the time of physical delivery, the company must obtain acknowledgement from RoC in the below format

Further waiver of late filing fee till 31st March 2023 for 45 e-Forms (due for filing between 7th February to 28th February 2023) & e-Form PAS-3 (due for filing between 20th January to 28th February 2023) along with extension of name reservation period by additional 20 days for e-Form SPICe+ Part A (form for reservation of name by proposed company under incorporation) rolled by MCA on its

Acknowledgement

No. _____

Office of the Registrar of Companies, _____

*The Registrar of Companies, _____ acknowledges the receipt of (i) GNL-2 (ii) MGT-14, PAS-3, SH-8, SH-9 and SH-11 as detailed below in respect of (Name of company) alongwith the relevant undertaking referred to in General Circular Number 05/2023 dated 22.02.2023.

SN	Particulars of Forms	Event date	Filing date (During 22.02.2023 to 31.03.2023 both days are inclusive)	Brief Details of the filing
1.	GNL-2* (filing of prospectus related documents and private placement)			
2.	MGT-14* (filing of Resolutions relating to prospectus related documents and private placement)			
3.	PAS-3* (Return of Allotment)			
4.	SH-8* (Letter of offer for buyback of own shares or other securities)			
5.	SH-9* (Declaration of Solvency)			
6.	SH-11* (Return in respect of buy-back of securities)			

*Note: Strike off whichever is not applicable.
 Place: _____
 Date: _____

Registrar of Companies
 State _____

DEVMANTRA TIMES

MARCH EDITION

ISSUE NO : 25, DATE : 1ST MARCH 2023

background (launch of 1st phase of company e-forms in July 2022)

Initially, all e-forms were filed on the V2 online portal of MCA. To provide industry with better online filing experience, MCA had launched a separate V3 online portal in July 2022. The 1st set (phase) of company e-forms on V3 portal were launched from 31st August 2022 onwards, as below.

- DIR3-KYC Web and DIR3-KYC (director KYC related forms)
- DPT-3 and DPT-4 (return of deposits), and
- CHG-1, CHG-4, CHG-6, CHG-8 and CHG-9 (creation of charge, modification and satisfaction related forms)

Launch of 2nd set of company e-Forms

MCA vide notice dated 23rd December 2022 notified the launch of 2nd set of company e-forms on V3 online portal. The 2nd set rolled out in 2 phases from 9 January 2023 and 23rd January 2023 onwards. The list of e-forms, 10th in nos. rolled out from 9th January 2023 and 46 in nos. rolled out from 23rd January 2023 onwards, can be viewed.

Waiver of late filing fee on 45 company e-Forms till 31st March 2023

Due to technical glitches faced in submission of e-Forms on the revamped V3 online portal, MCA vide circulars dated 9th January 2023 and 7th February 2023 had waived off late filing fee (for up to 15 days) for the said 45 company e-Forms where the due date for filing any of these forms falls between 7th January 2023 till 22 January 2023.

However, considering the ongoing technical issues faced by the stakeholders, MCA vide circular dated 21 February 2023 has once again waived off late filing fee till 31st March 2023 for the said 45 e-Forms where the due date for filing any of these forms falls between 7th February 2023 till 28 February 2023.

Waiver of late filing fee on e-Form PAS-3 till 31st March 2023

E-Form PAS-3 was rolled out from 23rd January 2023 onwards on the revamped V3 online portal of MCA. However, many stakeholders faced difficulty in submitting e-Form PAS-3 due to technical issues on the portal.

To address the concern, MCA vide circular dated 21st February 2023 has waived off late filing fee till 31st March 2023 where the due date for filing e-Form PAS-3 falls

between 20th January 2023 till 28th February 2023.

Extension of name reservation period by additional 20 days for e-Form SPICe+ Part A (form for reservation of name by proposed company under incorporation)

Every proposed company undergoing incorporation has to apply for reservation of its proposed name with MCA in the prescribed e-Form SPICe+ Part A. The said name, if approved by MCA can be reserved only up to 20 days from the date of approval.

However, due to technical issues faced by stakeholders in submitting incorporation related forms, MCA vide circular dated 21st February 2023 has extended the name reservation period by additional 20 days i.e. the approved name can be reserved up to 40 days from the date of approval without any additional fee.

The resubmission period for e-Form SPICe+ Part A falling between 23rd January 2023 till 28th February 2023 has also been extended for up to 15 days.

NOTIFICATION NO.
SEBI/LAD-NRO/GN/2023/125,
DATED 28-02-2023

DEVMANTRA TIMES

MARCH EDITION

ISSUE NO : 25, DATE : 1ST MARCH 2023

SEBI introduces definition of a 'non-independent director' under SEBI (Depositories & Participants) Regulations, 2018

Editorial Note : The SEBI has notified the SEBI (Depositories and Participants) (Amendment) Regulations, 2023. As per the amended norms, SEBI has introduced a new definition of a non-independent director. The term "non-independent director" means a director elected or nominated by the shareholders who are neither depository participants nor their associates and agents. In addition, the definition of KMPs has been enhanced. Also, the board has prescribed a code of conduct for depositories and participants.

NOTIFICATION NO.
SEBI/LAD-NRO/GN/2023/126.,
DATED 28-02-2023

SEBI broadens scope of IEPF to encompass the use of funds for compensating informants who provide information to Board.

Editorial Note:

The SEBI has notified the SEBI (Investor Protection and Education Fund) (Amendment) Regulations, 2023. A new clause has been inserted to the existing sub-regulation 5(2). Now, the Investors Education and Protection Fund can be used for grant and payment of reward to the informants for providing original information to the Board to

recover amounts u/s 28A of the SEBI Act or section 23JB of the SCRA, 1956 or section 19-IB of the Depositories Act, 1996. Various other amendments were prescribed.

NOTIFICATION NO.
SEBI/LAD-NRO/GN/2023/124.,
DATED 28-02-2023

SEBI widens the scope of KMP's definition under Securities Contracts Regulations, 2018

Editorial Note: The SEBI has notified SEBI Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) (Amendment) Regulations, 2023. As per the amended norms, scope of KMPs definition under regulation 2(1)(j) has been enhanced to include reporting officials of KMP, any person defined as KMP under the Companies Act 2013, etc. The SEBI has introduced a new definition of a non-independent director and also, prescribes a code of conduct for stock exchanges and clearing corporations.

SECTION 12A OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 - PROHIBITION OF MANIPULATIVE AND DECEPTIVE DEVICES, INSIDER TRADING AND SUBSTANTIAL ACQUISITION OF SECURITIES OR CONTROL

Where Investigation by SEBI revealed violation of LODR regulations due to misrepresentation and misuse of fund/books of account of appellant company, in view of fact that there was no diversion of funds nor there was any manipulation in price of scrip and consequently, no fraud or unfair advantage was caused to any shareholder or investor nor any specific loss was caused to any investors, direction for debarment of appellant for one year and penalty of Rs. 30 lakhs was excessive and was to be reduced - Svam Software Ltd. v. Securities and Exchange Board of India - [2023] 147 taxmann.com 228 (SAT - Mumbai)



DEVMANTRA TIMES

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Tax Compliance Calendar for March 2023

Compliance Due Date	Concerned (Reporting) Period	Compliance Detail	Applicable To
7th March	February 2023	TDC/TCS deposit	Non-Government Deductors.
10th March		Equalization Levy deposit	All Deductors
		a) GSTR-7 (TDS return under GST) b) GSTR-8(TCS return under GST)	a) Persons required to deduct TDS under GST b) Persons required to collect TCS under GST
11th March		GSTR-1(Outward supply return)	a) Taxpayers having annual turnover > Rs. 5 crore in FY 2021-22 b) Taxpayers having annual turnover ≤ Rs. 5 crore in FY 2021-22 and not opted for Quarterly Return Monthly Payment (QRMP) Scheme
13th March		GSTR-6[Return by input service distributor	Person registered as ISD
		Invoice Furnishing Facility–IFF (Details of outward supplies of goods or services)	Taxpayers having annual turnover ≤ Rs. 5 crore in FY 2021-22 and opted for QRMP scheme
15th March		Deposit of PF & ESI contribution	All Deductors
	Jan-Mar 2023	Deposit of 100%(4th Instalment) of Advance Tax for FY 2022-23.	Taxpayers liable to pay advance tax

DEVMANTRA TIMES

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Tax Compliance Calendar for March 2023

Compliance Due Date	Concerned (Reporting) Period	Compliance Detail	Applicable To
20th March	February 2023	GSTR-3B (Summary return)	a) Taxable persons having annual turnover > Rs.5 crore in FY 2021-22 b) Taxable persons having annual turnover ≤ Rs.5 crore in FY 2021-22 and not opted for QRMP scheme
		a) GSTR-5 (Return by Non-resident). b) GSTR-5A [Online Information Database Access and Retrieval (OIDAR) services return]	a) Non - resident taxable person b) OIDAR services provider
25th March		Form GST PMT-06 (payment of tax for QRMP filers)	Taxable persons having annual turnover ≤ Rs.5 crore in FY 2021-22 and opted for QRMP scheme
31st March	FY 2021-22	Form 3CEAD (Country-by-Country reporting)	Parent entity or alternate reporting entity, resident in India, in respect of the international group of which it is a constituent
		Linking of Aadhar with PAN (with penalty of Rs.1,000)	Individuals (except senior citizens > 80 years of age, foreign citizens, non-residents)

DEVMANTRA TIMES

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