

DEVMANTRA TIMES

JULY EDITION

ISSUE NO : 16, DATE : 01ST JULY 2022

Editorial

Dear Readers,

We welcome you to the Seventeenth edition of Devmantra Times for the month of July 2022.



Express growth in the services sector

For India's Services firms, new business and output rose the at fastest pace in June since early-2011, as per the survey-based S&P Global India Services Purchasing Managers Index (PMI), which accelerated from 58.9 in May to 59.2 in June. A reading of over 50 on the index indicates growth over the previous month.

Country's June trade deficit widened to a record high of \$25.63 billion from \$9.61 billion a year earlier

The Indian rupee hit a record low against the U.S. dollar as concerns of a wider current account deficit (CAD) came to the forefront after the country's trade deficit hit an all-time high in June.

Govt. said to remain committed to 6.4% fiscal deficit target for FY23

'Centre taking steps to deal with high global crude oil prices'

India's macroeconomic fundamentals are strong to deal with global challenges and the central government is committed to sticking to the fiscal deficit target of 6.4% of the GDP for the current fiscal, official sources said on Monday.

The government is taking steps to deal with the spiralling crude oil prices in the international market, the sources said.

India misses fifth-largest economy in the world tag by \$13 billion

The Indian economy was slightly smaller than the United Kingdom's (UK's), which deprived the former the rank of the fifth-largest economy in the world in 2021. Experts say it is just a matter of a year before India overtakes the UK.

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.

At Devmantra, it is our utmost priority to help our readers to be informed with respect to the changes in relevant laws for a smoother compliance.

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 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

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GST



REGULATORY UPDATES **NOTIFICATION NO. 16/2015-20,** **DATED 01-07-2022**

Amendment in FTP to extend IGST & Compensation Cess exemption on imports under AA/EPCG etc.

Editorial Note : The exemption of IGST and Compensation Cess on import of goods under Advance Authorisation, EPCG and EOU has been extended without any time restrictions. The corresponding amendment is made under FTP 2015-20 under Para 4, 5 and 6 to provide for exemption from IGST and Compensation cess on imports under the above specified export incentive schemes.

NOTIFICATION NO. 15/2015-2020, **DATED 01-07-2022**

Last date to submit application under MEIS for exports made between 01.09.2020 to 31.12.2020 extended till 31.08.2022

Editorial Note : The last date for submitting application under MEIS for exports made between 01.09.2020 to 31.12.2020 has been extended till 31.08.2022. In this regard, notification has been issued.

NOTIFICATION NO. 56/2022-CUSTOMS (N.T.), DATED 30-06-2022

Transitional provisions under SCMTR Regulation 15(2) further extended till 31st Dec. 2022 to enable submission of manifests under erstwhile regulations

Editorial Note : CBIC has issued notification to further extend the transitional provisions of Sea Cargo Manifest and Transshipment Regulations (SCMTR), 2018, till 31st December 2022 to enable submission of manifests under erstwhile regulations and to enable carriers continue mandatory filing on parallel basis.

NOTIFICATION NO. 57/2022 - CUSTOMS (N.T.), DATED 30-06-2022

CBIC issues conditions & restrictions for re-import of returned jewellery exported through the courier mode on e-commerce platform

Editorial Note : The CBIC has issued conditions & restrictions for

re-import of returned jewellery exported through the courier mode on e-commerce platforms. In this regard, amendment has been introduced in Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010.

TRADE NOTICE NO. 13/2022-23, DATED 30-06-2022

Existing e-BRC portal/website is upgraded to new IT platform
Editorial Note : The DGFT has issued trade notice to inform that existing e-BRC portal/website is upgraded to new IT platform. The old existing platform is proposed to be discontinued from end of July 2022.

NOTIFICATION NO. 32/2022-CUSTOMS, DATED 30-06-2022

CBIC exempts Additional Customs Duty on import of Petroleum, Crude and Aviation Turbine Fuel
Editorial Note : The CBIC has issued notification to exempt the levy of Additional Customs Duty on import of Petroleum, Crude and Aviation Turbine Fuel.

NOTIFICATION NO. 07/2022-CENTRAL EXCISE, DATED 30-06-2022

No Special Additional Excise Duty on Crude Petroleum produced

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after exceeding production of FY 2021-22

Editorial Note : For the Financial year, 2022-23, the Special Additional Excise Duty shall not apply to such quantity that is produced by a person immediately after exceeding his production of crude petroleum oil during the Financial Year 2021-22. In this regard, notification has been issued.

CIRCULAR NO. 09/2022-CUSTOMS, DATED 30-06-2022

CBIC issued SOPs for simplified regulatory framework for e-commerce exports of jewellery through courier

Editorial Note : The CBIC has issued SOPs for simplified regulatory framework for e-commerce exports of jewellery through courier. In this regard, a Circular has been issued.

CBIC issued several exemption notifications under Excise Laws

Editorial Note : The CBIC has issued several exemption notifications under Excise Laws to provide exemptions related to Air Turbine Fuel, Crude Petroleum, Motor Spirit and High Speed Diesel.

Excise Duty levied on export of Petrol & Diesel: Notification

Editorial Note : The Government has levied additional duty of excise and

special additional excise duty on Petrol & Diesel cleared for exports.

Key Recommendations of the 47th GST Council Meeting

Relief for E commerce Suppliers
The GST Council decided to remove compliance obstacles for online retailers.

- It made registration easier for e-commerce suppliers and helped them pay less in taxes by allowing them to register under the composition system for intrastate supplies.

- Once the IT system is in place, the new composition scheme for e-commerce suppliers for intrastate online sales will be put into effect on January 1st, 2023.

- It means that these intrastate e-commerce vendors will no longer be required to register for mandatory GST if their annual revenue does not surpass the lower limitations established for particular states/UTs, which are Rs. 40 lakh for commodities and Rs. 20 lakh for services.

- Regardless of turnover, interstate providers using e-commerce platforms are obligated to register.

GST Council approved GSTR-3B modifications

The GST Council approved GSTR-3B modifications (Monthly GST return for taxpayers).

For improved compliance and ease of compliance, it allowed

auto-population of the majority of details in Form GSTR-3B and annual returns in Form GSTR-9.

The new GST return system would be discontinued since it is no longer necessary, the Council stated clearly.

A proposal for extensive changes to GSTR-3B will be made available to the public for comment.

Relaxation in GSTR 9

For the remainder of FY 2021-2022, those having threshold turnovers below Rs. 2 crore are still exempt from filing GSTR-9 and GSTR-9A.

The deadline for issuing decisions relating to claims tied to the annual return due date under Section 73 of the CGST Act for FY 2017-18 has been extended until September 30, 2023.

Due date extension for GSTR 4

Instead of the former extension of up to 30 June 2022, GSTR-4 for FY 2021-22 will now receive a waiver of the late charge for submitting until July 28, 2022.

The CMP-08 deadline for April-June 2022 (Q1 of FY 2022-23) has been extended from July 18-July 30, 2022

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Rates

The Council agreed on rationalization of GST rates by increasing tariffs on a host of goods and services (such as LED lamps, solar water heater, leather, works contract services for specified works) for correction of inverted duty structure to avoid the accumulation of input tax credit resulting in blockage of working capital. Various exemptions on goods and services have also been withdrawn, such as taxing hotel accommodation priced up to Rs 1,000 and hospital accommodation (excluding ICU) exceeding Rs 5,000 per day.

RECENT JUDICIAL RULINGS ON GST

CLASSIFICATION OF GOODS

Laboratory reagents : All laboratory reagents and other goods falling under Heading 3822 are eligible for concessional rate of GST at 12% in terms of CBIC Circular No. 163/19/2021-GST - Imperial Life Sciences (P.) Ltd., In re - [2022] 139 taxmann.com 529 (AAAR-Haryana)

SECTION 11B OF THE CENTRAL EXCISE ACT, 1944 - CLAIM FOR REFUND OF DUTY AND INTEREST, IF ANY, PAID ON SUCH DUTY

Where appellants paid duty 'under protest' under Reverse

Charge Mechanism for legal consultancy services received for winding up of their business, refund of said duty was admissible as appellant cannot be saddled with any tax liability only because it was still registered under Companies Act - Lehman Brothers Securities (P.) Ltd. v. Commissioner of Central Tax, Central Excise & Service Tax, Mumbai - [2022] 139 taxmann.com 533 (Mumbai - CESTAT)

SECTION 54 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - REFUND - TAX, REFUND OF

Where demand of ITC was raised on account of difference between ITC claimed by assessee as compared to that shown by supplier remedy by way of appeal was to be availed, writ petition would not be maintainable - Progressive Stone Works v. Joint Commissioner (ST) - [2022] 139 taxmann.com 531 (Madras)

SECTION 69 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - SEARCH, SEIZURE, ETC. - POWER TO ARREST

Where petitioner had committed fraud of availing and passing of fake ITC, anticipatory bail was to be denied as custodial interrogation of petitioner was required to find out his modus operandi as well as

involvement of others in GST fraud - Gurbax Lal @ Happy Nagpal v. State of Punjab - [2022] 139 taxmann.com 295 (Punjab & Haryana)

SECTION 129 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - DETENTION, SEIZURE AND RELEASE OF GOODS AND CONVEYANCES IN TRANSIT

Where assessee claimed to be owner of goods seized in transit and had replied to show cause notice and also deposited tax and penalty payable, order passed for purpose of release of such goods by holding that seized goods were not traceable to any bona fide owner was not sustainable - S.K. Steels v. State of Uttar Pradesh - [2022] 139 taxmann.com 294 (Allahabad)

SECTION 171 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - ANTI-PROFITEERING MEASURE

Profiteering is established when prices of movie admission tickets were not commensurately reduced when GST rate was reduced to 12% from 18% and instead, base price was increased; NAA directs reduction of price commensurately and deposit of profiteered amount with interest in Consumer Welfare Fund - Principal Commissioner, Hyderabad v. Sri Laxmi Kale Mandir 70mm Theatre - [2022] 139 taxmann.com 530 (NAA)

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INCOME TAX



REGULATORY UPDATES CIRCULAR NO. 11/2022, DATED 03-06-2022

CBDT issues clarifications on Form 10AC issued till 03-06-2022; list down conditions for grant of registration

Editorial Note : The Central Board of Direct Taxes (CBDT) has issued clarifications with regards to Form 10AC issued between 01-04-2021 to 03-06-2022. The Board has listed down conditions that shall be considered while granting registration/approval or provisional registration/ provisional approval to trusts and institutions in view of amendments made by the Finance Act, 2022.

NOTIFICATION NO. 1 OF 2022, DATED 09-06-2022

CBDT revises procedures laid down for sharing info. with tax deductors/collectors for Sections 206AB & 206CCA

Editorial Note : The Central Board of Direct Taxes has revised the procedures laid down for sharing information with tax deductors/collectors for Sections 206AB & 206CCA considering the changes introduced by the Finance Act, 2022. The Board has earlier laid down the procedure vide Notification No. 01 of 2021 dated 22nd June 2021.

NOTIFICATION F.NO. 187/4/2021-ITA-I, DATED 10-06-2022

CBDT notifies new units under Faceless Assessment incorporating amendments made by the FA 2022
Editorial Note : The Finance Act, 2022 has revamped the provisions related to Faceless Assessment as contained under section 144B. To incorporate these changes, the Central Board of Direct Taxes (CBDT) has issued notifications in suppression of the notifications issued in erstwhile provisions. The CBDT has also notified various units under the amended provisions of faceless assessment.

NOTIFICATION NO. 62/2022, DATED 14-06-2022

'331' notified as Cost Inflation Index for Financial Year 2022-23
Editorial Note : The cost of inflation index (CII) has been notified by the Central Board of Direct Taxes (CBDT) every year. CII is used to compute Long term capital gains wherein the cost of acquisition/improvement is indexed with reference to the applicable CII of the relevant year. The CBDT has

notified '331' as CII for the Financial Year 2022-23.

NOTIFICATION F. NO. 500/09/2016-APA-I, DATED 10-06-2022

CBDT updates Mutual Agreement Procedure (MAP) Guidance addressing stakeholder's concerns

Editorial Note : The Central Board of Direct Taxes (CBDT) has updated guidance on MAP procedure addressing various concerns of the stakeholders. The board had earlier notified MAP guidance vide F.No. 500/09/2016-APA-I dated 7th August 2020. Stakeholders had raised queries on certain related aspects of MAP, which were not covered by the guidance. Some partner countries had also requested clarity on certain issues, such as the consequences of the Vivad se Vishwas scheme on MAP.

CIRCULAR NO. 12 OF 2022, DATED 16-06-2022

CBDT issues guidelines on deduction of tax at source under Section 194R

Editorial Note : The Central Board of Direct Taxes (CBDT) has issued guidelines to remove the difficulties in implementing the provisions of section 194R. The board has

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framed 10 questions and answered them to give clarity on the deduction of tax at source. The guidelines are binding on income-tax authorities and the person providing benefit or perquisite.

NOTIFICATION NO. 63/2022, DATED 15-06-2022

Transfer of capital asset from NTPC Ltd. to NTPC Green Energy Ltd. shall not be treated as transfer u/s 47: CBDT

Editorial Note : Exercising power conferred in section 47(viiaf), the Central Board of Direct Taxes (CBDT) has notified that the transfer of capital asset from NTPC Ltd. to NTPC Green Energy Ltd., under the plan approved by the Central Govt. on 21-03-2022 shall not be treated as transfer.

NOTIFICATION NO. 65/2022/F. NO. 275/30/2019-IT(B), DATED 16-06-2022

No Sec. 194-I TDS on payment of rent to a unit located in IFSC for lease of aircraft: CBDT
Editorial Note : The Central Board of Direct Taxes (CBDT) has exempted deduction of tax at source under section 194-I on payment of lease rent or supplemental lease rent made to a unit located in the International Financial Services Center (IFSC)

for the lease of an aircraft. The exemption is available subject to the fulfillment of certain conditions.

NOTIFICATION NO.64/2022/F. NO. 370142/24/2022-TPL, DATED 16-06-2022

CBDT prescribes 'other conditions' to be fulfilled by a specified fund referred to in Sec. 10(4D)

Editorial Note : The Central Board of Direct Taxes (CBDT) has notified a new Rule 21AIA prescribing the "other conditions" required to be fulfilled by a specified fund referred to in section 10(4D) of the Income-tax Act. The specified fund is also required to certify that it has fulfilled the conditions and furnish information in respect of units held by residents in the annual statement of exempt income in Form No. 10-IG.

NOTIFICATION NO. 66/2022, DATED 17-06-2022

Applicability of TP Safe Harbour Rules extended till AY 2022-23: CBDT

Editorial Note : The CBDT has extended the applicability of provisions of Rule 10TD(1) & Rule 10(2A) till Assessment Year 2022-23. Rule 10TD prescribes list of eligible international transactions where transfer price declared by the assessee shall be required to be accepted by the Income-tax Authorities.

NOTIFICATION NO. 65/2022/F. NO. 275/30/2019-IT(B), DATED 16-06-2022

No Sec. 194-I TDS on payment of rent to a unit located in IFSC for lease of aircraft: CBDT

Editorial Note : The Central Board of Direct Taxes (CBDT) has exempted deduction of tax at source under section 194-I on payment of lease rent or supplemental lease rent made to a unit located in the International Financial Services Center (IFSC) for the lease of an aircraft. The exemption is available subject to the fulfillment of certain conditions.

CIRCULAR NO. 13/2022 [F. NO. 370142/29/2022-TPL] (PART-1), DATED 22-06-2022

CBDT issues guidelines for TDS under Sec. 194S where VDAs are transferred through an Exchange

Editorial Note : The CBDT has issued guidelines to remove practical difficulties that may arise while deducting tax at source under section 194S where Virtual Digital Asset (VDAs) are transferred on or through an exchange.

NOTIFICATION NO. G.S.R. 463(E), DATED 21-06-2022

CBDT notifies challan-cum-statement Form 26QE for payment of tax deducted on VDAs

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Editorial Note : The CBDT has amended Income-tax Rules incorporating TDS changes brought by Finance Act, 2022. The tax deducted under section 194S shall be deposited in challan-cum-statement in Form No. 26QE. Further, the certificate of deduction of tax at source shall be issued in Form No. 16E. The board has also amended rules for tax payment and furnishing of TDS statements in case of tax deducted under section 194R.

CIRCULAR NO. 14 OF 2022, DATED 28-06-2022

CBDT issues guidelines for TDS under Sec. 194S where VDAs are transferred other than through Exchange

Editorial Note : The Central Board of Direct Taxes, vide Circular No. 14 of 2022, dated 28-06-2022, has issued guidelines to remove practical difficulties that may arise while deducting tax at source under Section 194S where Virtual Digital Asset (VDAs) are transferred other than through an Exchange.

NOTIFICATION NO. 73/2022/F. NO.370142/29/2022-TPL(PART-I) , DATED 30-06-2022

CBDT notifies Form 26QF for filing of statement of tax deposited u/s 194S by 'Exchange'

Editorial Note : The CBDT has

notified Form 26QF for filing of TDS statement by 'Exchange' in respect of tax deposited on transfer of virtual digital asset under section 194S. Form 26QF to be furnished on quarterly basis.

NOTIFICATION NO. 74/2022/F. NO. 370142/29/2022-TPL (PART-I), DATED 30-06-2022

Gift vouchers, rewards points and website subscription is excluded from definition of VDA: CBDT

Editorial Note : The Central Board of Direct Taxes (CBDT) has notified that gift cards or vouchers that may be used to obtain discounts, reward/loyalty points, and subscriptions to websites/application shall be excluded from the definition of the virtual digital asset.

NOTIFICATION NO. 75/2022/F. NO. 370142/29/2022-TPL(PART-I), DATED 30-06-2022

NFT whose transfer results in a transfer of ownership of an underlying tangible asset isn't VDA: CBDT

Editorial Note : The Central Board of Direct Taxes (CBDT) has specified the scope of the non-fungible token (NFT) to be treated as a Virtual Digital Asset (VDA) under section 2(47A). It has been provided that an NFT, whose transfer results in the transfer of ownership of the underlying tangible asset and the transfer of ownership of such underlying tangible asset is legally enforceable, shall not be treated as VDA.

SECTION 2(15) OF THE INCOME-TAX ACT, 1961 - CHARITABLE PURPOSE

Profit motive : Where assessee, a non-profit entity, was awarded a contract of construction of a museum by RBI and was also awarded task of establishing five galleries on textiles, astronomy, space etc. by SMC, assessee had disseminated knowledge in process of establishing facilities for RBI and SMC and, thus, activities of assessee amounted to education within meaning of section 2(15) - Creative Museum Designers v. Income-tax Officer, Exemptions - [2022] 139 taxmann.com 451 (Calcutta)

SECTION 40(a)(iib) OF THE INCOME-TAX ACT, 1961 - BUSINESS DISALLOWANCE - ROYALTY, LICENCE FEE ETC.

Dealing with objections to reopening : Where Assessing Officer along with show cause notice and draft assessment order had sent a detailed order dealing with objections raised by assessee against reasons for reopening of its assessment for disallowing VAT paid by it to State Government and only when assessee failed to reply to same, final reassessment order was passed, instant writ petition filed by assessee against said final order was not maintainable - Tamil Nadu State Marketing Corporation Ltd. v. Additional/Joint/Deputy/Asstt. Commissioner of

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Income-tax/Income-tax Officer,
National e-Assessment Centre
Delhi - [2022] 139 taxmann.com
432 (Madras)

SECTION 90 OF THE INCOME-TAX ACT, 1961 - DOUBLE TAXATION RELIEF - WHERE AGREEMENT EXISTS

Elimination of double taxation -
Eligibility of relief : Where for
claiming foreign tax credit (FTC),
assessee failed to furnish Form 67
on or before due date of furnishing
return of income prescribed under
section 139(1) but submitted same
subsequently during assessment
proceedings, assessee was
entitled to claim FTC - 42 Hertz
Software India (P.) Ltd. v. Assistant
Commissioner of Income-tax -
[2022] 139 taxmann.com 448
(Bangalore - Trib.)

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

Adjustments - General : In case
appropriate adjustments cannot be
made to uncontrolled transaction
due to lack of data, adjustments
should be made on tested party;
where it was practically not
possible for assessee to obtain
data on pre-operative expenses of
comparable companies, TPO
should collate same from
comparable companies by

exercising his powers under section
133(6) and provide assessee an
opportunity by sharing details so
obtained, and accordingly, grant
adjustment therefor - Toyota Tsusho
India (P.) Ltd. v. ACIT - [2022] 139
taxmann.com 433 (Bangalore - Trib.)

Adjustment - Operating profit :
Recovery of deposit could not be
considered as part of operating revenue
- Rieter India (P.) Ltd. v. Assistant
Commissioner of Income-tax, Circle-5,
Pune - [2022] 139 taxmann.com 429
(Pune - Trib.)

Adjustments - Operating profit/cost,
computation of : Where assessee
incurred 'extraordinary one-time cost
due to change in assumption for
actuarial valuation', since actuary
determined amount of provision was to
be created at end of year, same
became an operating cost without any
need for reduction, and, hence, could
not be treated as non-operating - Rieter
India (P.) Ltd. v. Assistant
Commissioner of Income-tax, Circle-5,
Pune - [2022] 139 taxmann.com 429
(Pune - Trib.)

Adjustments - Others : Where assessee
admittedly does not include subvention
receipt in total income, sequitur is that
such an amount cannot be included in
operating revenue base for ALP
determination - Rieter India (P.) Ltd. v.
Assistant Commissioner of Income-tax,
Circle-5, Pune - [2022] 139
taxmann.com 429 (Pune - Trib.)

Comparables, functional
similarity - Manufacturer : Company
engaged in textile business could
not be compared to assessee
engaged in manufacturing of textile
machines - Rieter India (P.) Ltd. v.
Assistant Commissioner of
Income-tax, Circle-5, Pune - [2022]
139 taxmann.com 429
(Pune - Trib.)

Comparables, functional
similarity - Manufacturer : Where
assessee was engaged in manu-
facturing of textile machines, a
company engaged in
manufacturing textile machines and
also manufacturing and selling air
pollution and air treatment systems
could not be held as comparable to
assessee - Rieter India (P.) Ltd. v.
Assistant Commissioner of
Income-tax, Circle-5, Pune - [2022]
139 taxmann.com 429
(Pune - Trib.)

Comparables, functional
similarity - Manufacturer : Once
functional similarity of a company
was established with assessee as
functionally comparable, TPO was
unjustified in excluding same on
ground that there were no
RPT - Rieter India (P.) Ltd. v.
Assistant Commissioner of
Income-tax, Circle-5, Pune - [2022]
139 taxmann.com 429
(Pune - Trib.)

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Transaction with AE alone are covered : Assessing Officer/TPO should restrict TP adjustment only to value of international transactions rather than entity level transactions - Rieter India (P.) Ltd. v. Assistant Commissioner of Income-tax, Circle-5, Pune - [2022] 139 taxmann.com 429 (Pune - Trib.)

Adjustments - Operating profit/cost, computation of : Excess payment of non-cenvatable import duty to be treated as part of operating cost base - Rieter India (P.) Ltd. v. Assistant Commissioner of Income-tax, Circle-5, Pune - [2022] 139 taxmann.com 429 (Pune - Trib.)

Adjustments - Operating profit/cost, computation of : Foreign exchange fluctuation should be considered as part of operating cost - Rieter India (P.) Ltd. v. Assistant Commissioner of Income-tax, Circle-5, Pune - [2022] 139 taxmann.com 429 (Pune - Trib.)

CORPORATE LAW UPDATES



GENERAL CIRCULAR NO. 07/2022, DATED 29-06-2022

MCA further extends the timeline for filing of Annual Return by LLPs up to 15.07.2022 without any additional fee

Editorial Note : The MCA has decided to further extend the timeline and allow Limited Liability Partnership (LLPs) to file e- Form 11 (Annual Return) for the financial year 2021-22 without paying additional fees up to 15.07.2022. Earlier, MCA extended the timeline for filing annual returns till 30.06.2022. As per Section 35, every LLP is required to file an annual return duly authenticated with the Registrar within 60 days of closure of its F.Y.

PRESS RELEASE NO. 21/2022, DATED 29-06-2022

SEBI allows FPIs to participate in Exchange Traded Commodity Derivatives market to enhance liquidity & market depth

Editorial Note : The SEBI, in its board meeting, has decided to allow FPIs to participate in the Exchange Traded Commodity Derivatives market to enhance liquidity & market depth. Further, the board considered and approved the amendments to the SEBI (Portfolio Managers) Regulations, 2020, to enhance prudential norms for investments by portfolio managers including investments in associates/related parties. Also, board approved the SEBI Annual Report: 2021-22.

COMPLIANCE
CALENDAR

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Tax Compliance Calendar for July 2022

Compliance Due Date	Concerned (Reporting) Period	Compliance Detail	Applicable To
7 th July	May 2022	TDC/TCS deposit	Non-Government Deductors
		Equalization Levy deposit	All Deductors
10 th July	May 2022	a) GSTR-7 (TDS return under GST) b) GSTR-8 (TCS return under GST)	a) Person required to deduct TDS under GST b) Person required to collect TCS under GST
11 th July		GSTR-1 (Outward supply return)	Taxable persons having turnover > Rs. 5 crore
13 th July		April-June 2022	GSTR-6 [Return by input service distributor (ISD)]
	GSTR-1 (Outward supply return)		Taxable persons having turnover ≤ Rs. 5 crore and opted for QRMP Scheme
15 th July	June 2022	Deposit of PF & ESI contribution	All Deductors
	FY 2021-22	Annual Return on Foreign Liabilities & Assets (FLA)	Indian companies / LLPs which have received Foreign Direct Investment (FDI) or made overseas investment
	April-June 2022	TCS Return	All Collectors
20 th July	June 2022	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
		GSTR-3B (Summary return)	All taxable persons (except composition dealer) having annual turnover > Rs. 5 crore in FY 2021-22.

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22 nd July	April – June 2022		All taxable persons (except composition dealer) having annual turnover upto Rs. 5 crore and having principal place of business in Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands, Lakshadweep
24 th July			All taxable person (except composition dealer) having annual turnover upto Rs. 5 crore and having principal place of business in any other state
30 th July		Issue of TCS Certificate in form 27D	All Collectors
31 th July		TDS Return	All Deductors
	FY 2021-22	Income Tax Return (ITR)	Individuals (including expatriates) & Non- corporates, not liable for Tax Audit.

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