



Edition 23
From Mar 1, 2023 to Mar 31, 2023



The Scoop

Inflation is a measure that causes the prices of both goods and services to rise over time and buyers will feel the pinch as it affects their personal finance, particularly spending and buying habits. The RBI is focusing in controlling inflation, with policy repo rates hiked six times since May 2022.

The RBI projects inflation at 5.3 per cent for 2023-24. Core inflation is expected to be affected by the continued transfer of input costs to output prices, particularly in the services sector. However, input costs and output prices are expected to ease in the manufacturing sector. A robust domestic demand and favorable government initiatives are expected to help India survive slow-down in the global economy this fiscal

INSIDE THIS ISSUE

Income Tax Updates.....	2 to 5
GST Updates.....	6 to 8
Corporate Affairs.....	9
PF/ESI Updates.....	10
RBI Updates.....	11 to 13
Other News Updates.....	14
International News.....	15
Expert Speak.....	16

SPECIAL POINTS OF INTEREST

Last date of linking PAN with Aadhaar has been extended till 30th June, 2023	Page 2
HSN Code Reporting in e-Invoice on IRPs Portal	Page 8

INCOME TAX UPDATES



1. Last date of linking PAN with Aadhaar has been extended till 30th June, 2023

In order to provide some more time to the taxpayers, the date for linking PAN and Aadhaar has been extended to 30th June, 2023, whereby persons can intimate their Aadhaar to the prescribed authority for Aadhaar-PAN linking without facing repercussions.

From 1st July, 2023, the PAN of taxpayers who have failed to intimate their Aadhaar, as required, shall become inoperative and the consequences during the period that PAN remains inoperative will be as follows:

- (i) no refund shall be made against such PANs;
- (ii) interest shall not be payable on such refund for the period during which PAN remains inoperative; and
- (iii) TDS and TCS shall be deducted /collected at higher rate, as provided in the Act.

The PAN can be made operative again in 30 days, upon intimation of Aadhaar to the prescribed authority after payment of fee of Rs.1,000.

Read More: <https://incometaxindia.gov.in/Lists/Press%20Releases/Attachments/1131/PressRelease-Last-date-for-linking-of-PAN-Aadhaar-extended-28-3-23.pdf>





INCOME TAX UPDATES

2. Income tax dept launches mobile app AIS for Taxpayers

The Income Tax Department launched a mobile application called “AIS for Taxpayer” that enables taxpayers to view their tax-related info like TDS/TCS, interest, dividends, share transactions, tax payments, and Income Tax refunds.

What is an Annual Information Statement (AIS)?

Taxpayers can get a detailed summary of their information from Form 26AS by referring to the Annual Information Statement (AIS).

Important information Regarding AIS for Taxpayers

App Name	AIS for Taxpayer
Availability	Google Play and App Store
Purpose	Enables taxpayers to view their AIS/TIS
Information Displayed	TDS/TCS, interest, dividends, tax payments, and more
Authentication Method	PAN number, OTP, and 4-digit PIN

Read More: <https://www.financialexpress.com/money/income-tax/ais-for-taxpayer-app-how-to-download-use-what-information-you-can-get/3019231/>

3.TDS on virtual digital assets fetches Rs 158 crore

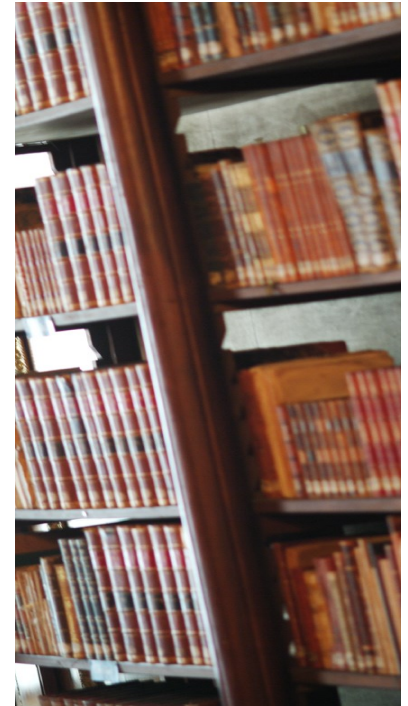
The government has collected Rs 157.9 crore as tax deducted at source on payments made from transfer of virtual digital currencies upto March 20 this year. Income from the transfer of these assets is taxed at the rate of 30%. Further, a 1% TDS is also levied on payment of transfer of these assets. Gift of VDAs is also to be taxed in the hands of the recipient.

INCOME TAX UPDATES

4. New Tax Deducted at Source (TDS) Rules from 1st April, 2023: Union Budget 2023 proposed several changes

- ◆ TDS on winning from online gaming has been proposed without any threshold benefit. The tax will be deducted either upon withdrawal or at the end of the financial year.
- ◆ The exemption from TDS available on interest payments on listed debenture has been proposed to be removed.
- ◆ If the recipient of EPF withdrawal does not provide his PAN, then TDS on the withdrawal will be 20%, instead of the maximum marginal rate.
- ◆ Sections 206AB and 206CCA have been amended to exclude certain persons from the scope who are not required to file a return of income and are notified by the government.
- ◆ For certain income paid to non-residents or foreign companies, TDS will be deducted at a rate of 20% or the rate specified in a tax treaty, whichever is lower. This relief will be available if the payee provides a tax residency certificate.
- ◆ The amendment in section 155 allows taxpayers to apply to the assessing Officer within two years of the financial year in which the tax was withheld

Read More: <https://www.financialexpress.com/money/income-tax/six-tax-deducted-at-source-tds-rules-changed-heres-what-every-taxpayer-should-know/3006838/>





INCOME TAX UPDATES

5.e-Pay Tax service is now enabled for South Indian Bank with Over the Counter and Net Banking options.

Banks available at e-Filing Portal – 20 Banks

S. No.	Bank Name	New/Migrated Bank	Date of enablement at e-Pay Tax Service at e-Filing Portal
1.	Axis Bank	Migrated Bank	01-Nov-22
2.	Bank of Baroda	Migrated Bank	01-Feb-23
3.	Bank of India	Migrated Bank	01-Sep-22
4.	Bank of Maharashtra	Migrated Bank	01-Oct-22
5.	Canara Bank	Migrated Bank	01-Oct-22
6.	Central Bank of India	Migrated Bank	01-Nov-22
7.	City Union Bank	New Bank	01-Jan-23
8.	Federal Bank	New Bank	01-Jul-22
9.	ICICI Bank	Migrated Bank	01-Nov-22
10.	IDBI Bank	Migrated Bank	01-Jan-23
11.	Indian Bank	Migrated Bank	01-Nov-22
12.	Indian Overseas Bank	Migrated Bank	01-Oct-22
13.	IndusInd Bank	New Bank	07-Jan-23
14.	Jammu & Kashmir Bank	Migrated Bank	01-Jan-23
15.	Karur Vysya Bank	New Bank	01-Oct-22
16.	Kotak Mahindra Bank	New Bank	01-Jul-22
17.	Punjab National Bank	Migrated Bank	01-Dec-22
18.	South Indian Bank	New Bank	22-Mar-23
19.	UCO Bank	Migrated Bank	01-Jan-23
20.	Union Bank	Migrated Bank	01-Jan-23

Banks available at Protean (previously NSDL) Portal – 3 Banks

S. No.	Bank Name
1.	HDFC Bank
2.	Punjab & Sind Bank
3.	State Bank of India

Read More: <https://www.incometax.gov.in/iec/foportal/sites/default/files/2023-03/List%20of%20banks%20for%20tax%20payments.pdf#>

6. Direct Tax collections up to 10th March, 2023

- ◆ Gross collections = Rs. 16.68 lakh crore which is 22.58% higher than the gross collections for the corresponding period of last year.
- ◆ Direct Tax collection, net of refunds, stands at Rs. 13.73 lakh crore which is 16.78% higher than the net collections for the corresponding period of last year.
- ◆ This collection is 96.67% of the total Budget Estimates of Direct Taxes for F.Y. 2022-23 and 83.19% of the Revised Estimates of Direct Taxes for F.Y. 2022-23.

Read More: <https://incometaxindia.gov.in/Lists/Press%20Releases/Attachments/1128/Direct-Tax-Collections-for-FY-2022-23-up-to-10.03.2023-dated-11-03-2023.pdf>



GST UPDATES



1. GSTN launches e-invoice registration services with private IRPs

- ◆ GSTN has onboarded four new IRPs (Invoice Reporting Portals) for reporting e-invoices in addition to NIC-IRP.
- ◆ The details of the existing and new IRPs is available at <https://einvoice.gst.gov.in/einvoice/dashboard>
- ◆ The taxpayers now have a choice of more than one IRP (earlier being the only single portal of NIC), which they can use to register their e-invoices. This adds significant capacity and redundancy to the single e-invoice registration portal which existed earlier.

Read More: <https://www.gst.gov.in/newsandupdates/read/573>

GST UPDATES

2. Advisory on New e-Invoice Portal

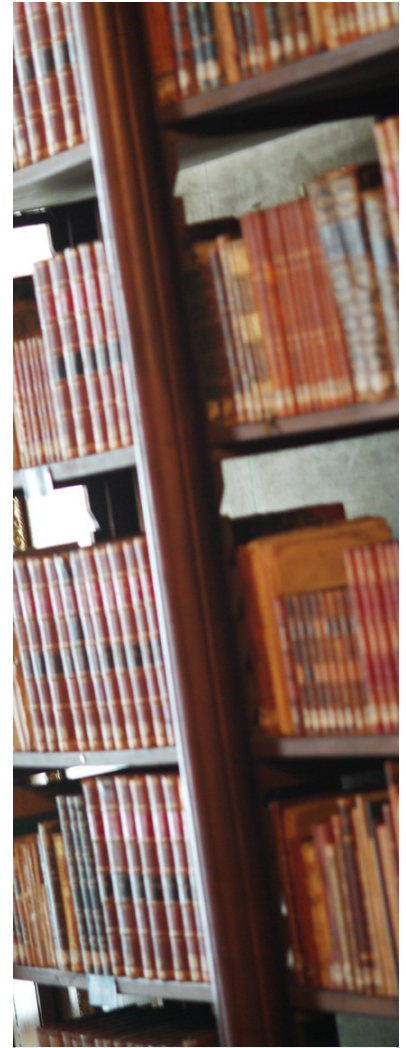
- ◆ GSTN has onboarded four new IRPs (Invoice Reporting Portals) for reporting e-invoices in addition to NIC-IRP.
- ◆ The beta launch of a new e-Invoice portal (www.einvoice.gst.gov.in), has been done where taxpayers can find comprehensive information on e-invoice compliance in a user-friendly format, 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.

Read More: <https://www.gst.gov.in/newsandupdates/read/571>

3. Advisory for the taxpayer wishing to register as “One Person Company” in GST

- ◆ It has been noticed that the option of choosing One Person Company is not there in form notified by CGST/SGST Acts and hence not available on the GSTN portal also.
- ◆ If the taxpayer wants to register for GST as “One Person Company”; applicant may select (Constitution of Business under ‘Business Details’ tab using dropdown list) option “Others” in the ‘Part B’ of GST Registration Form ‘REG-01’,
- ◆ After selecting option as “Others”, the applicant shall also mention “One Person Company” in the text field and follow the steps for a normal registration application to complete the process.

Read More: <https://www.gst.gov.in/newsandupdates/read/574>





GST UPDATES

4.HSN Code Reporting in e-Invoice on IRPs Portal

- ◆ As per the notification in the previous financial year, it is now mandatory for taxpayers to report a minimum of six-digit valid HSN code for their outward supplies having AATO of more than 5 crores
- ◆ As per this notification, this requirement has already been implemented in the GST system, and we are now in the process of implementing the same at IRPs portal in collaboration with our IRP partners including NIC. It is further suggested that in case wherever valid six digit HSN code is not available, a corresponding valid eight digit HSN code be reported instead of artificially creating six digit HSN code.

Read More: <https://www.gst.gov.in/newsandupdates/read/576>

5.Option to file complaints on GSTN Portal

GSTN has advised on how the tax payers can file or lodge complaints on GSTN Portal (GST Grievance Redressal Portal) Taxpayers can file GST-related complaints on the Goods and Services Tax portal and report issues, including fake GST invoices. GST Grievance Redressal Portal allows taxpayers to receive assistance in matters relating to GST registration, GST return filing, refunds, invoices, and GST payments. Following steps can be followed :

Step 1: Head to the GST portal.

Step 2: Click on the 'help and taxpayer facilities' head.

Step 3: Scroll down to select 'grievance redressal portal'.

Step 4: Click to proceed.

Step 5: Tap to report issue.

Step 6: Enter the relevant details and register your complaint. An acknowledgment with a ticket reference number (TRN) will be generated which can be used to track the status of the complaint on the same portal through the 'check status' menu.

Read more at: <https://selfservice.gstsystem.in/>

CORPORATE AFFAIRS UPDATES



1. Important Updates

- a) All Members of ICSI & ICAI (registered in Professional category at MCA) are requested to add Membership Type (viz Associate or Fellow) in their profile.
- b) PAS-2 has to be filed as a separate webform on V3 portal and not as part of GNL-2
- c) ICSI Stakeholders may please note that while providing the membership number/COP number in the forms, only numeric number (no alphabet) is required to be entered by practicing Professionals
- d) Stakeholders please note that Form SH-7 for increase in Authorised Capital, Form PAS-3 for allotment of securities, Forms for buyback and Form GNL-2 among other Forms launched on 23rd January are being filed on V-3 portal.
- e) Stakeholders can check status of DSC Association on Show DSC link under Profile Update page

Read More: <https://www.mca.gov.in/content/mca/global/en/home.html>



PF/ESI UPDATES



Cabinet hikes Dearness Allowance (DA) by 4% for central government employees, pensioners

The Union Cabinet approved an increase in the dearness allowance and dearness relief by 4 per cent to 42 per cent, benefiting 47.58 lakh central government employees and 69.76 lakh pensioners

What is Dearness Allowance?

The Dearness Allowance is a constituent of the remuneration given to the employees of the Central Government that serves to mitigate the effects of inflation on their present salaries. The amount of the allowance is determined by a percentage of the employee's fundamental salary and is dependent on the most recent Consumer Price Index for Industrial Workers (CPI-IW). The CPI-IW information is issued on a monthly basis by the Labor Bureau of the government....

Read more at: <https://economictimes.indiatimes.com/news/economy/policy/cabinet-hikes-da-by-4-to-42-for-central-government-employees/articleshow/98976863.cms?from=mdr>

Reserve Ratios

CRR: 4.00%
SLR: 21.50%

Exchange Rate (As on Mar 30, 2023)

INR / 1 USD : 82.11
INR / 1 GBP : 101.30
INR / 1 EUR : 89.30
INR / 100 JPY : 61.94

RBI UPDATES



1. Axis Bank completes deal to buy Citibank's India consumer business

Axis Bank completed the acquisition of Citibank's consumer business. The deal, which was announced in March 2022, will see India's third-largest private sector bank absorbing Citibank's consumer businesses, covering loans, credit cards, wealth management and retail banking operations in India.

2. RBI's new pilot project on coin vending machines

RBI Governor Shaktikanta Das stated during Monetary Policy Committee (MPC) address that the apex banking regulator, in collaboration with banks, would launch a pilot project to evaluate the operation of a QR-code based coin vending machine

More about the project:

- The vending machines would dispense coins, with the appropriate amount debited from the customer's account via the United Payments Interface (UPI), instead of physically tendering banknotes.
- Customers would be able to withdraw coins in the desired quantities and denominations.
- The central concept here is to make coins more accessible



RBI UPDATES

3. RBI imposes restrictions on Musiri Urban Co-operative Bank

The Reserve Bank of India imposed a Rs 5,000 cap on withdrawals by individual customers from Tamil Nadu-based Musiri Urban Co-operative Bank as part of several restrictions slapped on the lender due to its deteriorating financial condition

Read More: <https://currentaffairs.adda247.com/rbi-imposes-restrictions-on-musiri-urban-co-operative-bank/>

4.PNB Signs MoU With Central Warehousing Corporation To Facilitate Finance To Farmers

Punjab National Bank, nation's public sector bank and Central Warehousing Corporation have signed a Memorandum of Understanding to facilitate financing under e-NWR (Electronic Negotiable Warehousing Receipt) The partnership is aimed at providing easy access to finance to farmers/ food processors/ traders against the pledge of agriculture commodities stored in CWC warehouses

5.Canara Bank sells stake in Russian joint venture to SBI for Rs 121 crore...

Canara Bank sold its stake in Commercial Indo Bank LLC (CIBL), a joint venture with State Bank of India (SBI), to SBI for approximately ₹121.29 crore. CIBL, which was established in 2003, operates in Russia and is owned 60% by SBI and 40% by Canara Bank. According to Canara Bank, the sale agreement was executed on November 11, 2022. According to a regulatory filing, Canara Bank has confirmed that it has received the full consideration amount of ₹121.29 crore for the sale of its stake in Commercial Indo Bank LLC to SBI. The agreement for the sale of Canara Bank's stake to SBI was announced in January of this year and the entire transfer of shares was completed on November 11, 2022, as per the agreement.... Read more at: <https://currentaffairs.adda247.com/canara-bank-sells-stake-in-russian-joint-venture-to-sbi-for-rs-121-crore>

Read more at: <https://economictimes.indiatimes.com/industry/banking/finance/banking/canara-bank-sells-stake-in-russian-joint-venture-to-sbi-for-rs-121-crore/articleshow/98949403.cms>





RBI UPDATES

5. RBI imposes Rs 2.27 crore penalty on RBL Bank

- ◆ The Reserve Bank of India has imposed a penalty of Rs 2.27 crore on RBL Bank Ltd for non-compliance with norms related to recovery agents.
- ◆ The penalty has been imposed for non-compliance with certain provisions of the directions issued by it on 'Internal Ombudsman Scheme, 2018', 'Fair Practices Code for Lenders', 'Credit Card Operations of Banks', 'Managing Risks and Code of Conduct in Outsourcing of Financial Services by banks' and 'Recovery Agents engaged by Banks'.

6. RBI slaps Rs 3 crore penalty on Amazon Pay India

- ◆ The RBI has charged that Amazon Pay India was non-compliant with the regulator's KYC (Know Your Customer) rules, and provisions regarding PPIs (Prepaid Payment Instruments).
- ◆ RBI also clarified that this action is based on deficiencies in regulatory compliance and is not intended to pronounce upon the validity of any transaction or agreement entered into by the entity with its customers

Read more: <https://www.financialexpress.com/industry/banking-finance/>



OTHER NEWS UPDATES

- ◆ **Canara Bank sells stake in Russian joint venture to SBI for Rs 121 crore:** Canara Bank sold its stake in Commercial Indo Bank LLC (CIBL), a joint venture with State Bank of India (SBI), to SBI for approximately ₹121.29 crore. CIBL, which was established in 2003, operates in Russia and is owned 60% by SBI and 40% by Canara Bank. According to Canara Bank, the sale agreement was executed on November 11, 2022.
- ◆ **Ashneer Grover launched cricket fantasy sports app 'CrickPe':** Third Unicorn Pvt Ltd, founded by Ashneer Grover, has raised \$4 million in seed funding from more than two dozen angel investors, including Anmol Singh Jaggi, Anirudh Kedia, and Vishal Kedia. Previously, Grover was associated with BharatPe and Grofers, both of which are unicorns. The app is targeting the upcoming IPL tournament for its launch and is allowing users to participate in contests for IPL matches starting from March 31, 2023
- ◆ **IDFC Mutual Fund (MF) has rebranded itself as Bandhan Mutual Fund:** IDFC Mutual Fund has rebranded itself as Bandhan Mutual Fund effectively from March 13. The company, which was earlier a part of the IDFC group, was acquired by a Bandhan Financial Holdings-led consortium in April 2022. The deal was approved by the Securities and Exchange Board of India (Sebi) in November 2022
- ◆ **CCI clears Reliance's 2850 Cr buy of Metro's local business:** Competition Commission of India cleared deal between Reliance Industries Ltd's and Indian business of German retailer Metro AG. The deal of Rs 2,850 crore was announced nearly three months ago that will help Reliance strengthen its wholesale format and cement its position as the biggest player in India's burgeoning retail industry with stores spanning electronics, groceries and fashion
- ◆ **BoB seeks bids for divesting 49% stake in credit card arm:** State-owned Bank of Baroda has called bids for divesting up to 49% stake in its credit card subsidiary BoB Financial Solutions. As per the tender, the last date for submission of queries was March 24, while the last date for submitting expression of interest by investors is April 10



INTERNATIONAL NEWS UPDATES

- ◆ **Fed's interest rate policy outlook:** Investors digested the latest Federal Reserve interest rate news after the central bank announced that it would hike rates by 25 basis points last week. That marked the ninth consecutive interest rate increase and was in line with expectations. Fed Chairman Jerome Powell indicated that the central bank's battle to bring inflation to 2%
- ◆ **Deutsche Bank shares slide 13% after sudden spike in the cost of insuring against its default:** Deutsche Bank shares fell by more than 13% following a spike in credit default swaps last week, as concerns about the stability of European banks persisted. The German lender's shares retreated for a third consecutive day and have now lost more than a fifth of their value so far this month. Credit default swaps — a form of insurance for a company's bondholders against its default — leapt to 173 basis points from 142 basis points
- ◆ **Bank of England hikes interest rates by 25 basis points after inflation surprises:** The Bank of England hiked interest rates by 25 basis point as it grapples with persistent high inflation against the backdrop of concerns over the banking system. The Monetary Policy Committee voted 7-2 in favor of raising the Bank rate to 4.25%, in a widely anticipated move after official data showed that U.K. inflation unexpectedly jumped to an annual 10.4%
- ◆ **Jack Dorsey Loses \$526 Million Net Worth Hours After Hindenburg Report :** Block Inc. co-founder Jack Dorsey's net worth was hammered after Hindenburg Research's latest report, claiming Block had inflated user metrics, and that the stock has downside of 65% to 75% "on a purely fundamental basis." The company denied the allegations and said it plans to explore legal action against the short-seller. His fortune plunged by \$526 million his worst single-day decline.
- ◆ **UBS Deals with Credit Suisse for acquisition at \$3.25 Billion:** The Union Bank of Switzerland buys the bankrupt Credit Suisse for \$3.25 Billion. This was decided to lessen the economic burdens rising across the globe. Credit Suisse has faced major scandals and financial losses in recent times. The chairperson of Switzerland's Financial Market Supervisory Authority claims this deal to be the best possible solution considering the present banking scenarios



CA NAVISH NAGPAL
(B.com, FCA, DISA,
IFRS)



EXPERT SPEAK

Last date for linking of PAN-Aadhaar extended

1. Announcement by Government

In order to provide some more time to the taxpayers, the date for linking PAN and Aadhaar has been extended to 30th June, 2023, whereby persons can intimate their Aadhaar to the prescribed authority for Aadhaar-PAN linking without facing repercussions.

2. Background: Under the provisions of the Income-tax Act, 1961 (the 'Act') every person who has been allotted a PAN as on 1st July, 2017 and is eligible to obtain Aadhaar Number, is required to intimate his Aadhaar to the prescribed authority on or before 31st March, 2023, on payment of a prescribed fee.

3. Impact: From 1st July, 2023, the unlinked PAN shall become inoperative. Then you will not be able to use your PAN wherever it is mandatory. This includes

- the opening of bank accounts, demat accounts etc.
- Filing of ITR's won't be possible and If you won't be able to file the ITR then you will not be able to take Loan or Visa for travelling purpose.
- Your pending returns will not be processed which means that your pending refund will not be issued.
- TDS, TCS will be deducted at a higher rate as your PAN is no longer operative.

4. Who has been exempt from PAN-Aadhaar linking?

Non-resident Indians (NRIs), individuals who are not Indian citizens, senior citizens aged above 80 years, and residents of Jammu Kashmir, Assam and Meghalaya are among those exempt from linking both the cards.



CA NAVISH NAGPAL
(B.com, FCA, DISA,
IFRS)



EXPERT SPEAK

5. Actions

- Please pay the applicable non-refundable fee of Rs. 1000 through e-Pay Tax service to proceed with submission of Aadhaar-PAN linking request.
- In case payment is already done on Protean (NSDL) portal, please try linking after 4-5 working days from the date of payment.
- Please make sure fee payment is done under Minor head 500 - Other Receipts(500) and Major head 0021 [Income Tax (Other than Companies)] in single challan.



EXPERT PANEL



CA Naveesh Nagpal

Ph: 9582289938

LinkedIn: <https://www.linkedin.com/in/naveesh-nagpal-a02b6539/>



CA Sanjay Singh

Ph: 9711205178

LinkedIn: <https://www.linkedin.com/in/sanjay-singh-12aa3122/>

BIBLIOGRAPHY.....

www.financialexpress.com

incometaxindia.gov.in

www.gst.gov.in

www.rbi.org.in

Disclaimer

The views expressed are solely of the author and the content of this document is solely for information purpose and not to be constructed as a professional advice.

In cases where the reader has any legal issues, he/she must in all cases seek independent legal advice.

