

A nighttime photograph of several skyscrapers in a city, with lights glowing from the windows. The image is overlaid with a dark blue geometric pattern consisting of overlapping circles and lines.

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NEWSLETTER

June 2023

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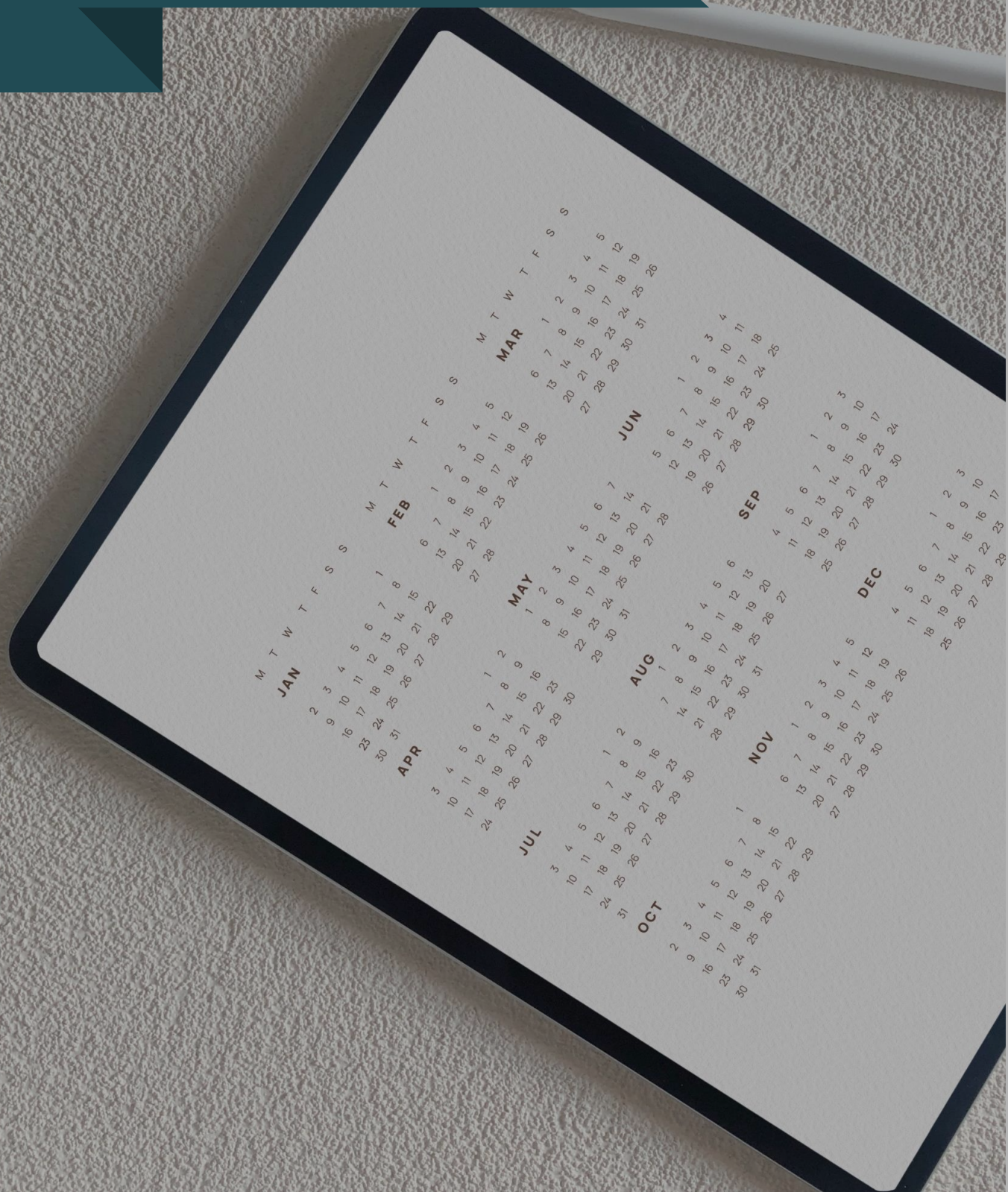
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COMPLIANCE CALENDAR



COMPLIANCE CALENDAR

June 2023

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

Due Dates for selected month and year





DUE DATES FOR SELECTED MONTH AND YEAR

Due Date	Status	Purpose	Compliance Particulars
7 June 2023	Income Tax	TDS/TCS Liability Deposit	The due date for the deposit of tax deducted/collected for the month of May 2023. However, all sum deducted/collected by an office of the government shall be paid to the credit of the Central Government on the same day when tax is paid without the production of an Income-tax Challan
10 June 2023	GST	GSTR-7 TDS return under GST	GSTR 7 is a return to be filed by the persons who is required to deduct TDS (Tax deducted at source) under GST.
	GST	GSTR-8 TCS return under GST	GSTR-8 is a return to be filed by the e-commerce operators who are required to deduct TCS (Tax collected at source) under GST.
11 June 2023	GST	GSTR-1	GSTR 1 is to be filed by taxpayers having an aggregate turnover of more than Rs. 1.50 Crores or opting to file a Monthly Return for the period of May 2023.
13 June 2023	GST	GSTR-1 (QRMP)	GSTR 1 IFF is to be filed by the taxpayers who opted for the QRMP scheme (Optional) for the period of January-May 2023
	GST	GSTR-6	GSTR 6 is to be filed by the Input Service Distributors for the period of May 2023
14 June 2023	Income Tax	TDS Certificate	The due date for issue of the TDS Certificate for tax deducted under sections 194-IA , 194-IB , 194M , and 194S in the month of March 2023
15 June 2023	Income Tax	Electronic Challan cum Return (ECR) (PF)	The due date for E-payment of provident fund.
	Income Tax	Form No. 3BB	Due date for furnishing statement in Form no. 3BB by a stock exchange in respect of transactions in which client codes been modified after registering in the system for the month of May, 2023



DUE DATES FOR SELECTED MONTH AND YEAR

Due Date	Status	Purpose	Compliance Particulars
15 June 2023	Income Tax	First Installment of Advance Tax	First installment of advance tax for the assessment year 2023-24
	PF & ESI	PF & ESI	This is the date companies must submit the PF and ESI contributions deducted from their employee's salaries. The due date for same is on or before 15 th of next month.
	Income Tax	Form 24G	Where TDS/TCS has been paid without the production of a challan by an office of the Government
	Income Tax	TDS Certificate	Certificate of tax deducted at source to employees in respect of salary paid and tax deducted during Financial Year 2022-23
	Income Tax	Filing of TDS Certificate	Quarterly TDS certificates (in respect of tax deducted for payments other than salary) for the quarter ending March 31, 2023
	Income Tax	Statement of Income in Form 64D	Furnishing of statement (in Form No. 64D) of income paid or credited by an investment fund to its unit holder for the Previous year 2022-23
20 June 2023	GST	GSTR 5 & 5A	Non-Resident Taxpayers and ODIAR services provider
	GST	GSTR 3B	The due date for GSTR-3B having an Annual Turnover of more than 5 Crores
25 June 2023	GST	GST Challan	GST Challan Payment if no sufficient ITC for May (for all Quarterly Filers)



DUE DATES FOR SELECTED MONTH AND YEAR

Due Date	Status	Purpose	Compliance Particulars
29 June 2023	Income Tax	Statement by Eligible Investment Fund	Due date for e-filing of a statement (in Form No. 3CEK) by an eligible investment fund under section 9A in respect of its activities in financial year 2022-23
30 June 2023	Income Tax	TDS Challan-cum-statement	Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, 194 IB, 194M and 194S
	Income Tax	Return for Securities transaction tax	Return in respect of securities transaction tax for the financial year 2022-23
	Income Tax	Non-TDS Return by banking company	Quarterly return of non-deduction of tax at source by a banking company from interest on time deposit in respect of the quarter ending March 31, 2023
	Income Tax	Form 64C	Statement to be furnished (in Form No. 64C) by Alternative Investment Fund (AIF) to units holders in respect of income distributed during the previous year 2022-23
	Income Tax	Report by public sector company	Report by an approved institution/public sector company under Section 35AC(4)/(5) for the year ending March 31, 2023
	Income Tax	Form 64B	Due date for furnishing of statement of income distributed by business trust to its unit holders during the financial year 2022-23. This statement is required to be furnished to the unit holders in form No. 64B
	Income Tax	Equalization Levy Statement	Furnishing of Equalization Levy statement for the Financial Year 2022-23
	Income Tax	Linking Pan With Aadhar	Deadline for linking PAN with Aadhaar to avoid PAN becoming inoperative. (The deadline has been extended from March 31, 2023, to June 30, 2023)
	Company Annual Filing	Form DPT 3	For the Companies who have taken outstanding loans
	Company Annual Filing	IEC Renewal	IEC Code Renewal/update for the FY 2023-24

DIRECT TAX



1. CBDT Issues Draft Valuation Rules For Angel Tax Provisions For Public Consultation

This Tax Alert explains the public consultation document issued by the Central Board of Direct of Taxes (CBDT) which proposes to amend valuation rules relevant for “angel tax” provisions.

The Finance Act 2023 amended Section 56(2)(viib) of the Income tax Act 1961, which taxes excessive premium received by a closely held company (CHC) from a resident (popularly known as “angel tax” provision) to include share investment made by a non-resident (NR), with effect from tax year 2023-24. The stakeholders raised concerns on increase in valuation disputes due to such an amendment. In response to such concerns, the CBDT announced a slew of reliefs from “angel tax” vide Press Release dated 19 May 2023. The CBDT also issued two Notifications on 24 May 2023 as announced in the Press Release for (a) notifying the class of NR investors whose investment shall be excluded from “angel tax” and (b) extending the current reliefs for investment by residents in start-ups registered with DPIIT to NR investors.

Following up on the announcement in Press Release regarding modification of valuation rule for computing Fair Market Value (FMV), the CBDT has now issued draft of amended Rule 11UA for public comments.

The existing Rule 11UA prescribes two methods (viz. NAV or DCF) for determining the FMV of equity shares issued to resident investors. The CBDT proposes to include five more valuation methods for issue of equity shares to NR investors viz. Comparable Company Multiple Method, Probability Weighted Expected Return Method, Option Pricing Method, Milestone Analysis Method and Replacement Cost Methods.

Furthermore, it proposes to introduce price matching facility for both resident and NR investors. In terms of such price matching facility, the price at which equity shares are issued by CHC to notified NR entities shall be adopted as FMV for the purposes of benchmarking equity investments by both resident and NR investors, subject to compliance of certain conditions.

Existing Rule 11UA requires merchant banker DCF valuation report as on the date of issue of shares. The CBDT proposes to provide flexibility by making valuation report issued up to 90 days prior to the date of issue of equity shares acceptable for computing FMV for investments by both resident and NR investors.

Lastly, in order to factor in the variation in price due to various factors, the CBDT proposes to introduce safe harbor limit of 10% for valuation of equity shares which can be availed by both resident and NR investors.

The CBDT has sought public comments on the above referred draft of amended Rule 11UA by 5 June 2023.

2. EPFO ISSUES GUIDELINES FOR HIGHER PENSION FROM EPS

Employees Provident Fund Organisation (EPFO) issued guidelines on February 20, 2023, giving the procedure for eligible employees to submit applications for higher pensions under the Employees Pension Scheme (EPS). Even employees who had not earlier applied for a higher pension under EPS, but were entitled to do so, can now do so. The deadline to apply for a higher pension under EPS is March 3, 2023. This deadline was mandated by the recent Supreme Court in its judgment dated November 4, 2022.

As per the circular, in compliance with the SC judgment, the following employees with their employers may submit joint options under para 11 (3) and 11 (4) to the concerned Regional office:

- The employees and employers who had contributed under paragraph 26(6) of EPF scheme on salary exceeding the prevalent wage ceiling of Rs 5000 or Rs 6500 AND
- Did not exercise joint option under the proviso to Para 11 (3) of the pre-amended scheme (since deleted) while being members of EPS, 1995; AND
- Were members prior to 1.9.2014 and continued to be a member on or after 1.9.2014

Thus, any employee who was a member of the Employees' Provident Fund (EPF) as on August 31, 2014, and did not opt for a higher pension under the EPS, has the option to opt for the same on or before March 3, 2023.

INDIRECT TAX



1.

BUSINESSES CAN REVOKE CANCELED GST REGISTRATION BY JUNE 30

The businesses have an opportunity to revoke their Goods and Services Tax (GST) registration cancellation by paying due taxes, interests, and penalties. The government issued a June 30, 2023 deadline to complete the revocation process.

GST is a tax imposed in India on the delivery of goods and services. Any individual or organization that supplies goods or services in India and has a yearly revenue exceeding a certain threshold must register for GST, which can be done through the portal (www.gst.in). As per the finance ministry's notification, no further chance will be given for the revocation. Also, businesses that have had their GST registrations canceled before December 2022 and who have not yet requested the revocation of their cancellation may do so until June 20, 2023, by paying a late fee of ₹1000 in form GSTR-10.

A registered person whose GST registration has been canceled or surrendered is required to file GSTR-10. The return, referred to as the Final Return, must be filed within three months after the cancellation date or the date of the cancellation order, whichever comes first.

The process for revocation of GST registration cancellation:

1. Login – GST portal (www.gst.in)
2. Go to the Services tab.
3. Click on the Application for Revocation of Cancellation of Registration
4. Enter the required details asked.
5. Submit an application online.

It is significant to remember that the cancellation of a GST registration can only be reversed within a specific window of time. If the deadline has passed, registration can only be obtained by submitting a new registration application.

For Fiscal Years 2022–2023 and forward, the government also announced a streamlined late fee for filing annual returns in Form GSTR-9 after the deadline for Micro, Small, and Medium Enterprises (MSME) taxpayers having a turnover of up to Rs. 20 crores. It is because the MSMEs play an important role in the Indian economy and are a major source of employment generation.



2. CBIC ROLLS OUT MODULE FOR AUTOMATED SCRUTINY OF GST RETURNS

The Central Board of Indirect Taxes and Customs (CBIC) has rolled out a module for automated scrutiny of GST returns. "This module will enable the officers to carry out scrutiny of GST returns of Centre Administered Taxpayers selected on the basis of data analytics and risks identified by the System," the finance ministry said in a statement.

In the module, discrepancies on account of risks associated with a return are displayed to the tax officers.

Tax officers are provided with a workflow for interacting with the taxpayers through the GSTN Common Portal for communication of discrepancies noticed.

"Implementation of this Automated Return Scrutiny Module has commenced with the scrutiny of GST returns for FY 2019-20, and the requisite data for the purpose has already been made available on the officers' dashboard," the statement added.



TOUCH POINTS



Registered Office

NEW DELHI, INDIA

31 - F, Connaught Place,
New Delhi - 110001



Corporate Office

NOIDA, INDIA

1504 & 1505 Astralis Tower,
SuperNova Noida, Uttar Pradesh
201301



Branch Office

MUMBAI, INDIA

503 Dalamal Chambers, 29 New
Marine Lines, Mumbai - 400020



Branch Office

AHMEDABAD, INDIA

Zion Prime, Near Copper Stone
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International Office

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Texas, USA 75038



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