

The cover features a complex geometric design. A large teal triangle points downwards from the top left, overlapping a white triangle that points upwards from the top right. Below these, a dark grey triangle points downwards from the right side. The background is a grayscale image of a cityscape, with a person's hand and arm visible in the foreground, appearing to hold or interact with the scene. The overall aesthetic is modern and professional.

ASC

ASC TIMES **NEWSLETTER**

Volume 36 September 2024

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MESSAGE FROM CEO

Dear Readers,

We are delighted to release our Monthly newsletter '**ASC TIMES - SEPTEMBER**' Edition considering the rigorous demand from our eminent readers. I would like to take this opportunity to present the Volume - **36** of our monthly newsletter. ASC Times summarizes all the business-related news & government updates like imparting relevant information, press releases, notifications, periodic updates, etc. to keep you updated with things affecting the business as a whole.



This newsletter is designed as a comprehensive knowledge-sharing initiative focused on updating you with all the monthly updates covering Income Tax Act 1961, Company's Act 2013, Foreign Exchange Management Act (FEMA), Customs, etc.

ASC Group, continues to be the leader for financial, secretarial, legal & management advisory for more than 30 years of industry experience operating out of 14 offices globally. Our team of 300+ professionals consists of experienced Chartered Accountants, Company Secretaries, Lawyers, Investment Advisors, and Management Consultants who continuously contribute towards the ease of doing business across the world.

We as ASC always believe in strengthening the relationship between us and share timely and insightful editions.

ASC releases a monthly Newsletter named '**GST TIMES**' and '**INSOLVENCY TIMES**' which provides a rewarding experience to the reader.

Best regards
Alok Kumar Agarwal
Founder & CEO
ASC Group



COMPLIANCE CALENDAR

| Sr. No. | Date | Compliance | Period |
|---------|----------------------------|--|------------|
| 1 | 7 th Sept 2024 | Due date for deposit of Tax deducted/collected for the month of Aug 2024. | Aug 2024 |
| 2 | 14 th Sept 2024 | The due date for issue of TDS Certificate for tax deducted under sections 194-IA, 194-IB and 194M in the month of July, 2024 | July 2024 |
| 3 | | Due date for issue of TDS Certificate for tax deducted under section 194S (by specified person) in the month of July 2024 | July 2024 |
| 4 | 15 th Sept 2024 | Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of August 2024 has been paid without the production of a challan | Aug 2024 |
| 5 | | Second instalment of advance tax for the assessment year 2025-26 | AY 2025-26 |
| 6 | | ESIC payment for the month of Aug 2024 | Aug 2024 |
| 7 | | PF payment for the month of Aug 2024 | Aug 2024 |
| 8 | 30 th Sept 2024 | The due date for furnishing of challan-cum-statement in respect of tax deducted under sections 194-IA, 194-IB and 194M in the month of August 2024 | Aug 2024 |
| 9 | | The due date for furnishing of challan-cum-statement in respect of tax deducted under section 194S (by specified person) in the month of August 2024 | Aug 2024 |
| 10 | | Due date for filing of audit report under section 44AB for the assessment year 2024-25 in the case of a corporate-assessee or non-corporate assessee (who is required to submit his/its return of income on October 31, 2024) | AY 2024-25 |
| 11 | | Application in Form 9A for exercising the option available under Explanation to Section 11(1) to apply the income of the previous year in the next year or in future (if the assessee is required to submit a return of income on November 30, 2024) | FY 2023-24 |
| 12 | | Statement in Form no. 10 to be furnished to accumulate income for future application under section 10(21) or section 11(1) (if the assessee is required to submit a return of income on November 30, 2024) | FY 2023-24 |
| 13 | | Furnishing of Audit report in Form no. 10B/10BB by a fund or trust or institution or any university or other educational institution or any hospital or other medical institution | AY 2024-25 |



Indo Japan News

India, Japan hold '2+2' dialogue with focus on Indo-Pacific

India and Japan held a "2+2" dialogue amidst China's increasing military expansion in the Indo-Pacific region. India's External Minister S Jaishankar said that the India-Japan partnership is set against a larger context of a free, open and rule-based Indo-Pacific region and it will continue to grow. The 2+2 meeting was held between the foreign minister and defence minister counterpart of both nations i.e., Foreign Minister Yoko Kamikawa and Defence Minister Kihara Minoru of Japan alongside External Affairs Minister S Jaishankar and Defence Minister Rajnath Singh of India. The meeting was held in New Delhi on 20th August 2024 where important discussions were held on the significance of open and free Indo-Pacific region and defence cooperation. [Read more](#)

How India-Japan Education Conference Plans to Make an Impact

The Indo-Japan Business Council (IJBC) will be holding the India-Japan Education Conference in Japan in September and October. The conference will aim to advance the educational and cultural connections. The main focus of the conference will be scholarships, student exchanges and research collaborations. The conference will also be including workshops for technology and innovation, cultural programs and networking opportunities. An important objective of the conference is to support the exchange of scholarships, students and joint research between the Japanese and educational institutions in North Eastern India. It will also foster cultural integration through events, language instructions and workshops. Further, it will also facilitate progress in the fields of biotechnology, IT, sustainable agriculture, renewable energy etc. [Read more](#)

New warship antenna systems and upgraded 2008 security pact: How India and Japan plan to fight terrorism

During the '2+2' ministerial dialogue between Indian and Japanese ministers, both nations have decided to renew and update their 2008 Joint Declaration on Security Cooperation. This will reflect and address the evolving dynamics in the Indo-Pacific region. The revised declaration is expected to be unveiled during Prime Minister Narendra Modi's visit to the annual summit in Japan. The key focus of the dialogue was the shared vision for an open and free Indo-Pacific region. Another major outcome of the decision was the integration of Japan's UNICORN stealth antenna system into the Indian warships. UNICORN, an acronym for Unified Complex Radio Antenna, consolidates multiple antennas into a single horn-shaped structure that reduces the radar signature and makes warships less detectable by the enemy forces. [Read more](#)

Maruti Suzuki's export of Made in India SUV to Japan boosts Brand India's global image: Goyal

Maruti Suzuki India has commenced its export of the sports utility vehicle Fronx to Japan. This has further strengthened 'Brand India' image on the global stage. The first consignment of 1600 vehicles left for Japan from Pipavav Port of Gujarat. Fronx will be the first SUV from Maruti Suzuki that will be launched in Japan. Maruti Suzuki India has commenced its export of the sports utility vehicle Fronx to Japan. This has further strengthened 'Brand India' image on the global stage. The first consignment of 1600 vehicles left for Japan from Pipavav Port of Gujarat. Fronx will be the first SUV from Maruti Suzuki that will be launched in Japan. [Read more](#)

After Baleno, Fronx is the second model to be exported to Japan by Maruti Suzuki and it was launched in India on 24th April 2023.

Why reverse Japanese Yen carry trade may have a limited impact on India

While the unwinding of Japanese Yen carry trade has shaken the global markets, it is expected to have a limited impact on India as India's share in this trade is limited to \$20 billion. Another reason, as stated by Manish Sonthalia, Director and Chief Investment Officer at Emkay Investment Managers, for limited impact is that the FIIs have been selling over the last two and a half years and the total allocation to India's total market cap has gone down from 22%-23% to 16%-17%. [Read more](#)





NEWS HIGHLIGHTS

Ladakh to have 5 new districts, says MHA

The Ministry of Home Affairs has given 'in-principle approval' to create five new districts in Ladakh to allow people access to the benefits of government schemes. Ladakh will now have a total of 7 districts in line with Prime Minister Narendra Modi's vision to build a developed and prosperous Ladakh. Currently, Ladakh is a large Union Territory with two districts i.e., Kargil and Leh. The Ministry has asked the Ladakh administration to form a committee and assess the various aspects related to the formation of the new districts. This includes structure, headquarters, creation of posts, boundaries and any other aspects. This decision of the Ministry of Home Affairs will be very crucial for the all-round development of Ladakh. [Read more](#)



Serum Institute working on mpox vaccine says CEO Adar Poonawalla

Mpox has been declared as a global health emergency requiring quick response. Serum Institute of India is currently working on developing a vaccine for this disease. With the ongoing progress, Adar Poonawalla (CEO of Serum Institute) has reiterated that more updates and positive news can be expected in a year's time. Mpox has been declared a Public Health Emergency of International Concern (PHEIC). It is the highest level of alarm under international health law and is often viewed as a precursor to the pandemic declaration. The WHO has called upon the global manufacturers to produce the vaccines against Mpox. [Read more](#)

India notifies rule for rapid launch of breakthrough drugs in the country bypassing local clinical trials

India has notified the rule that will allow the rapid launch of breakthrough drugs by skipping the requirement of clinical trials. As per the new rules, the requirement of clinical trials has been waived if the drugs are approved in the United Kingdom, United States, Australia, Japan, European Union and Canada. This will allow drugs manufactured outside India to become more affordable and accessible in the Indian markets. Five categories of drugs have been notified to be waived off from the requirement of the clinical trial. This includes gene and cellular therapy products, orphan drugs for rare diseases, new drugs for special defense purposes, new drugs used in case of a pandemic and drugs having therapeutic advances over the current standard care. As per the



requirement, more countries can be added to the list or even the existing ones can be struck off in the future. [Read more](#)

Indians who migrate abroad see incomes double; residents need 20 years to catch up

It has been noted that Indians who migrate abroad have witnessed a 100% hike in their income levels while those continuing to work in their homeland India might have to wait for over 20 years to get such a hike. This explains why Indians who go abroad do not return even if they get a premium for doing so. These observations were made in the World Bank Report 'Migrants, Refugees and Societies'. Indians experienced an average increase of 118% in their income after migrating abroad. Migrants from Ghana and Bangladesh experienced an increase of 153% and 210% respectively. [Read more](#)



Prime Minister Narendra Modi Shares Insights From Ukraine Visit With Russian President Putin

Prime Minister Narendra Modi visited Ukraine in August and met President Volodymyr Zelenskyy. He also spoke with Russian President Vladimir Putin to discuss strengthening the partnership between the two nations. Further, he also discussed about the Russia-Ukraine conflict and reiterated India's strong commitment towards the early and peaceful resolution of conflicts. Before that, he also conducted a successful visit to Russia, reviewing the progress on various bilateral issues and discussing further steps to further enhance the Special and Privileged Strategic Partnership between India and Russia.

[Read more](#)



INCOME TAX



CBDT issues Notification regarding standardizing the process of filing applications u/sec.10(46A)

The government has issued clarification regarding the requirement to obtain an Income Tax Clearance Certificate (ITCC) by persons domiciled in India pursuant to the Amendment by the Finance (No. 2) Act, 2024. There has been a misinterpretation that all Indians are required to obtain an Income Tax Clearance Certificate (ITCC) before leaving the country. As per the clarification, only certain persons in respect of whom circumstances exist that make it necessary to obtain a tax clearance certificate are required to obtain the same. This includes persons involved in serious financial irregularities, persons against whom direct tax arrears exceeding Rs. 10 lakhs are outstanding that have not been stayed by any authority etc. [Read more](#)

Non-applicability of the higher rate of TDS/TCS as per provisions of section 206AA/206CC of the Income-tax Act, 1961, in the event of death of deductee/collectee before linkage of PAN and Aadhaar- reg

The CBDT allowed the taxpayers an opportunity to link their PAN and Aadhaar up to 31st May 2024 for the transactions entered up to 31st March 2024 in order to avoid deduction or collection of tax at a higher rate under section 206AA/206CC. The board received several grievances where people were not able to link PAN with Aadhaar due to the demise of the taxpayer. Due to this, tax demands were being raised against the deductor or collector due to the non-linkage of PAN and Aadhaar due to the demise of the taxpayer. The board has hereby

specified that where higher TDS/TCS rate is attracted due to non-linkage of PAN and Aadhaar for transactions entered up to 31st March 2024 where non-linking was due to the demise of the taxpayer on or before 31st May 2024, there shall be no liability on the taxpayer to collect/deduct tax at a higher rate.

Order under proviso to sub-section (5) of section 144B of the Income-tax Act, 1961 specifying the circumstances for the purposes of enquiries or verification functions by the Verification Unit-regarding.

The Central Board of Direct Taxes have specified certain circumstances for the purpose of enquiry or verification functions by the Verification Unit as referred to in Section 144B(3)(iii) i.e., Faceless Assessment:

- Non-availability of digital footprint in respect of the assessee or any other person.
- Electronic or Online verification is not possible on account of no response to a notice issued to the assessee or any other person.
- Physical verification of assets or premises or persons is required, regardless of the presence of a digital footprint.

This order has come into force with immediate effect.





Processing of e-mandates for recurring transactions

The RBI has already laid down a broad e-mandate framework for certain recurring transactions. As per this framework, the issuer is required to send a pre-debit notification to the customers at least 24 hours before the actual debit from the account. Currently, the balances in FASTag and National Common Mobility Card (NCMC) get auto-replenished, however, people need to recharge the balance manually. These transactions are recurring in nature but don't have fixed periodicity. The RBI has decided to allow users to bring this into the e-mandate framework as well. This will allow the customers to auto-replenish the balance in FASTags and NCMC when their balance falls below a certain threshold limit. As these are recurring payments without any fixed periodicity, these e-mandate transactions will be exempted from the requirement of pre-debit notification. [Read more](#)

Review of Master Direction - Non-Banking Financial Company - Peer-to-Peer Lending Platform (Reserve Bank) Directions, 2017

The RBI has already issued directions for NBFC peer-to-peer platforms that act as intermediaries and provide a platform or marketplace to the participants involved in P2P lending. However, certain platforms violated these directions by adopting practices violating the fund transfer mechanism, promoting P2P lending as an investment product with features like tenure-linked assured minimum returns, providing liquidity options etc. Therefore, the RBI has carried out suitable modifications in these directions. As per the modifications, NBFC-P2P platforms shall not arrange or provide for any credit guarantee. They shall not cross-sell any product except for loan-specific

insurance products. The aggregate exposure of a lender to all the borrowers at a point in time has been capped at Rs. 50 lakhs provided that such investments of the lender on P2P platforms are consistent with their net worth. These were a few of the many modifications that RBI has introduced to protect the interest of the lenders and bring in more transparency in the P2P lending space. [Read more](#)

Review of Risk Weights for Housing Finance Companies (HFCs)

The RBI has modified the NBFC – Housing Finance Company (Reserve Bank) Directions, 2021 to address a potential anomaly in computing risk-weighted assets for undisbursed amounts of housing loans or other loans vis a vis that for an equivalent disbursed amount of similar exposures. The RBI has decided that the risk weighted assets computed for undisbursed amounts of housing loans/other loans as per step 1 and step 2 of paragraph 6.3.1 of the Master Direction *ibid*, shall be capped at the risk weighted asset computed on a notional basis for the equivalent amount of disbursed loan. Further, the risk weight for fund-based and non-fund based exposures to the ‘Commercial Real Estate Residential Building’ classified as ‘Standard’ shall be 75%. For exposures that are not classified as ‘Standard’ under this category, the risk weight shall be as per the category ‘Other Assets (Others)’ as indicated in Sr. No. 6(d) of paragraph 6.2 of the Master Direction *ibid* (which presently is at 100 per cent).

Review of regulatory framework for HFCs and harmonisation of regulations applicable to HFCs and NBFCs

The regulation of the HFCs from the National Housing Bank (NHB) to the Reserve Bank of India from 9th August 2019, HFCs were treated as a category of NBFC. Following this, an analysis of the regulations applicable to the NBFCs and HFCs was undertaken to ensure harmonization considering the specialised nature of the HFCs. Until now, parameters for accepting deposits have been relaxed for HFCs as compared to the NBFCs. However, considering that the regulatory concerns for acceptance of deposits are the same across all the categories of NBFCs, it has been decided to move the HFCs towards the regulatory regime on deposit acceptance similar to other categories of NBFCs. The requirement of maintenance of a minimum percentage of liquid assets has also been prescribed. Further, the HFCs are required to ensure that full asset cover is available for public deposits accepted by them at all times. [Read more](#)

Frequency of reporting of credit information by Credit Institutions to Credit Information Companies

The RBI earlier issued a circular requiring the Credit Institutions (CIs) and Credit Information Companies (CICs) to keep the credit information collected or maintained by them updated regularly on a monthly basis or at such other shorter intervals as is mutually agreed upon by the CIC and CIs. As the turnaround time in credit underwriting has become a lot faster due to digital processes, it is important that the Credit Information Reports (CIRs) provided by the CICs reflect more current information, allowing lenders to make more informed credit decisions. The RBI has now directed the CIs and CICs to keep the credit information updated regularly on a fortnightly basis (i.e., on the 15th and last date of the month) or at such shorter intervals as agreed between the CIs and CICs. The submission of information fortnightly shall be ensured within 7 calendar days of the relevant reporting fortnight. Also, the CICs are required to ingest the credit information received from the CIs within 7 calendar days of its receipt from CIs. This period of 7 days has been revised to 5 calendar days of its receipt. [Read more](#)

Modified Interest Subvention Scheme for Short Term Loans for Agriculture and Allied Activities availed through Kisan Credit Card (KCC) during the financial year 2024-25

The Government of India has decided to continue the Modified Interest Subvention Scheme (MISS) for the financial year 2024-25. Farmers can avail of financing in the form of short term crop loans and short term loans for allied activities up to a limit of Rs. 3 lakhs through KCC at a concessional interest rate during the year 2024-25. Interest subvention can be provided through Public Sector Banks, Private Sector Banks (for loans given by their rural and semi-urban branches only), Small Finance Banks and computerised Primary Agriculture Cooperative Societies (PACS) ceded with Scheduled Commercial Banks. The interest subvention amount will be calculated on the loan amount from the date of disbursement / drawal up to the date of actual repayment of the loan by the farmer or up to the due date of the loan fixed by the banks, whichever is earlier, subject to a maximum period of 1 year. [Read more](#)

Prudential Treatment of Bad and Doubtful Debt Reserve by Co-operative Banks

Several cooperative banks have created a Bad and Doubtful Debt Reserve (BDDR). While in some cases, BDDR is created by recognising it as an expense in the P&L account, in other cases, it is created through appropriation from net profits. In order to bring uniformity in the treatment of BDDR for prudential purposes, all provisions as per Income Recognition, Asset Classification and Provisioning (IRACP) norms, whether accounted for under the head "BDDR" or any other head of account, shall be charged as an expense to the P&L account in the accounting period in which they are recognised with effect from FY 2024-25. After charging through the P&L account, banks may make the appropriations of net profits below the line to BDDR. The RBI has also prescribed the methodology for a smoother transition to the new requirement. [Read more](#)



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