MOHINDER PURI & CO.
CHARTERED ACCOUNTANTS

Corporate Update

January | 2019

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FOREWORD

Dear Reader,

As the country gears up for the general elections later in April this year, the Central Government presented its interim Union Budget on February 1, 2019. The full budget is likely to be presented around May -June later this year, after election of the new Central Government.

The limited direct tax proposals announced in this interim budget were primarily to appease middle class tax payers, which form a significant chunk of the voting power of the country. The proposals include offering a higher standard deduction of Rs. 50,000/- as against Rs. 40,000/- to salaried individuals, full tax rebate of individuals having taxable income of Rs. 500,000/- or less, etc.

Apart from the Budget, another tax development that is making headlines is the concept of 'Angel Tax'. In the Finance Act, 2012, the Government introduced a new provision which sought to tax fresh infusion of equity which exceeded the 'Fair Market Value' of such shares, aimed at curbing money laundering. However, certain start up companies have recently been targeted under such 'Angel Tax' regime and were issued show cause notices, leading to a hue and cry from all corners. Such start-up companies heavily rely on Private Equity for capital and often issue shares at a very high premium, primarily capitalizing on a unique business proposition. In order to alleviate the concerns of genuine start-ups, the Central Board of Direct Taxes has recently indicated that these provisions would be relaxed.

On the Goods and Service Tax Front ('GST'), the GST Council has recently pruned various items off the highest tax slab (28%) list and have lowered the rate of GST on such items. Furthermore, the registration limit for supplier of goods has been enhanced from INR 2 Million to INR 4 Million. Moreover, certain norms have also been recently relaxed for ease of compliance.

C. S. Mathur
Partner

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Interim Union Budget 2019 tabled in Parliament

Key Proposals of the Interim Budget, 2019

The Central Government of India tabled Interim Budget in the Parliament on Feb 01, 2019. This Budget was an Interim Budget, in view of the upcoming General Election due in April- May later this year. Post elections the new Central Government shall announce the Full Budget. The key amendments proposed are as follows:

- Standard deduction for salaried class as re-introduced by Union Budget 2018 is proposed to increase upto Rs. 50,000 per year from upto Rs 40,000.
- There is no change in tax and surcharge slabs or rates for individual tax payers.

  However, existing rebate under section 87A of the Act of Rs 2,500 applicable to resident Individuals & HUF having total income not exceeding Rs. 3,50,000 is proposed to increase to Rs. 12,500 for Individuals & HUF having total income not exceeding Rs. 5,00,000.
- Threshold limit for deduction of tax under section 194A of the Act from interest (other than interest from securities) paid or payable by a banking company or Co-operative bank or Post office is proposed to be increased from Rs. 10,000 to Rs. 40,000.
- Threshold limit for deduction of tax under section 194I of the Act from the amount of rent paid or payable during the financial year is proposed to be increased from Rs. 1,80,000 to Rs. 2,40,000.
- It is proposed to extend the exemption under section 54 of the Act against any long-term capital gains, arising to an Individual/HUF from sale of residential house property, by way of purchase or construction, in two residential houses from only one house (as earlier), provided the amount of capital gains does not exceed Rs. 2 crores.

  Furthermore, it is also proposed that this option can be exercised only once in a lifetime.
- It is proposed to extend the relief under section 23(2) of the Act for declaring NIL annual value in respect of any two self-occupied house properties. Hitherto, the relief was available only in respect of one self-occupied house (as earlier).

The proposed amendments shall be effective from AY 2019-20 or April 01, 2019.

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International Taxation

High Court upholds constitution of Permanent Establishment in India for GE Group entities for core marketing and sales activities

GE Energy Parts Inc. [TS-765-HC-2018(DEL)]

Recently, the High Court of Delhi in the case of GE Energy Parts Inc. (lead case) and other GE group entities confirmed the order of the Tax Tribunal holding that the assessee had Fixed Place Permanent Establishment (PE) and Agency PE in India. The High Court also held that 26% of the profits from offshore supplies were attributable to PE on account of core marketing and sales activities conducted by the assessee in India through expatriates operating out of the Indian Liaison Office of the group, supported by the staff of an Indian affiliate.

The assessee is a part of GE Group and a tax resident of USA (hereinafter referred as 'GE US'). The assessee, along with other group entities, is engaged in the business of manufacture and supply of sophisticated and technically customized equipments to customers world-wide including India.

One of the group entities, namely General

Electric International Operations Company ('GEIOC') had set up a Liaison Office ('LO') in New Delhi, India. Over 50 expatriates, employed by a US group company, namely GE International Inc. ('GEII'), were positioned at the Indian LO for conducting marketing and sales activities on behalf of various foreign GE group entities (including the assessee). Furthermore, in terms of an agreement between GEIOC and an Indian affiliate, namely GE India Industrial Private Limited ('GEIIPL'), the employees of GEIIPL were to support the expatriates in their activities in India. For such activities, GEIIPL was to be remunerated on cost plus basis.

The assessee claimed that no income was liable to tax in India as the assessee was engaged only in carrying on liaison activities and not any business or commercial activities in India. However, upon examining certain documentary evidence obtained during a survey operation on the premises of the LO, the Income tax Officer observed that a PE is constituted in India. Firstly, it was alleged that the premises of the LO was being used as a sales outlet and thus, constituted a Fixed Place PE. Secondly, it was contended that such expatriates and employees were in fact, engaged in activities such as negotiation of contracts, securing of orders as well as conclusion of contracts which were beyond liasioning activities.

The Income tax officer applied a profitability rate of 10% to the PE due to unavailability of year-wise, and entity-wise profits of GE overseas entities for the operations carried out in India. While arriving at the profitability of 10%, reference was drawn from Section 44BBB of the Act which provides for a presumptive profit rate of 10% for specified non-residents carrying on business through a PE in India. The percentage of attribution of profits to PE for core marketing activities was computed at 35% by the income tax officer, based on the pronouncement of the Delhi High Court in Rolls Royce PLC and the Tax Tribunal, Delhi Bench in ZTE Corporation.

The CIT(A) upheld the order of the income tax officer and sustained the addition.

On appeal, the Hon'ble Tribunal held that incidence of a Fixed Place PE as well as Dependant Agent did arise in the instant case.

On Fixed Place PE aspect, the Tribunal observed that the premises of LO were at the disposal of assessee with some degree of permanence and that the expatriates operating from the LO had specific chambers (at their constant disposal), with affixed nameplates along with secretarial staff. The support staff of GEIIPL also occupied the premises of the LO and worked under the direct control and supervision of the expatriates. The Tribunal also observed that the LO had exceeded the scope of the activities permitted by the Reserve Bank of India. Further, it was observed that the expatriates were involved in significant and essential part of sale activities right from bidding, proposal development and negotiation which could not be regarded as activities of preparatory and auxiliary nature.

As regards Agency PE, the Tribunal held that the expatriates and the employees of GEIIPL had an authority to conclude contracts on behalf of the overseas entities. While holding so, the Tribunal clarified that it is immaterial whether all aspects or elements of the contract were negotiated by the agent or not. Furthermore, the Tribunal did also examine whether the case of the assessee could be brought under the exception of 'agents of an independent status'. The Tribunal held that group companies ought to be considered as one unit and not multiple units.

As regards the quantum of attribution, the Tax Tribunal, on comparison of the activities performed by the PE vis a vis the activities performed in the instant case, held that out of total marketing effort, 75% of the marketing activities were performed by the PE and accordingly, an attribution rate of 26% (75%*35%) of the profits to the operations carried out by the PE in India would be appropriate.

Aggrieved, the assessee had preferred an appeal before the High Court. The High Court confirmed the order of the Tax Tribunal and held as under:

On the issue of Fixed Place PE

- In many instances, business activities as undertaken in India were not auxiliary or preparatory in nature. The process of sales and marketing of GE products was not simple. Standard "off the shelf" goods or even standard terms of contract were inapplicable. Core activities of developing the customer, discussing local requirements, technical specifications, financial and commercial terms of the agreement and even price negotiations were undertaken in India. For this purpose, GE had stationed several high ranked employees in India.

- The assessee's employees were not merely liaisoning with clients and the headquarters office and were playing a crucial role in the negotiation process. The discharge of vital responsibilities relating to finalization of commercial terms, or at least a prominent involvement in the contract finalization process, as discussed by the revenue authorities clearly revealed that the assessee carried on business in India through its fixed place of business, i.e through the premises of LO.

On the issue of Agency PE

- Having noted the contradiction across certain paragraphs of OECD Commentary on Model Tax Convention and the decision of Italian Court in the case of Philip Morris, the High Court held that agency PE did not require concluding every single element of the contract.
- GE India's activities clearly constituted activities that would establish agency PE in India.
- The involvement of technical officials having varying degree of authority along with local employees in contract negotiation into key areas clearly showed that the assessee carried out business in India through the PE.
- The High Court also noted that the above activities also intersect and overlap with the content of agency PE, as it was evident that GE India worked solely for the overseas companies, in their core activities.

Regarding attribution of profits to PE, the High Court noted that the analysis carried out by the Income tax Officer and the Tax Tribunal was after due consideration of the relevant facts and judicial precedents and as such, required no interference.

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Domestic Taxation

Interest paid on funds borrowed to acquire control of companies allowable regardless of future exempt income

(Vikram Somany V. CIT)[101 taxmann.com 88]

In a recent decision, the Hon'ble High Court of Calcutta, setting aside the decision of Tax Tribunal has held that interest paid on funds borrowed to acquire controlling stakes in companies shall not be disallowed on the ground that the same could result in earning exempt dividend income in the future.

In the instant case, Vikram Somany ('the assessee') had paid interest on funds borrowed in order to acquire the control of two companies and accordingly claimed such interest as a deduction under section 36(1)(iii) of the Income-tax Act. The Assessing Officer rejected such claim and disallowed the interest expense. However, the Commissioner (Appeals) allowed the deductions and granted relief.

When the matter travelled to the Tax Tribunal, it was held that such interest shall be disallowed under section 14A of the Income-tax Act, considering that the assessee would earn exempt dividend income out of the said investments.

On further appeal, the Hon'ble High Court of Calcutta set aside the order of the Tax Tribunal. While doing so, it held that the Tax Tribunal adopted an incorrect approach by looking into imaginary income and expenditure of a subsequent assessment year while computing income in the relevant previous year. For granting allowance under section 36(1)(iii) of the Income-tax Act, Tax Tribunal was only required to ascertain that funds were borrowed for the purposes of business and profession. The question that whether any dividend would be earned in future out of the said investment is irrelevant.

Accordingly, the claim was allowed to the Appellant.

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Tribunal lays down guidelines regarding application of DCF method of share valuation for Sec. 56(2)(viib)

Innoviti Payment Solution Pvt. Ltd. v. Income Tax Officer [TS-4-ITAT-2019(Bang)]

In a recent case of Innoviti Payment Solution Pvt. Ltd. v. Income Tax Officer, the Bangalore Tax Tribunal has held that if in the valuation of shares, under Discounted Cash Flow ('DCF') method at the time of fresh issue of shares, if the cash flow projections are not estimated with reasonable certainty, then DCF method is not workable.

In the present case, the assessee company had allotted shares and issued them on a premium of Rs.23.50 per shares as against the face value of Rs. 10 per share based on the valuation report of shares under DCF method, issued by a Chartered Accountant. During the assessment proceedings, the Income-tax Officer observed that there was variance in the actual revenue and profits vis-à-vis estimates made by the assessee. The Income-tax Officer asked the assessee to substantiate the basis of charging the share premium. The assessee submitted the valuation report of shares, wherein it was stated that valuation is based on the projections which are as per the estimates of the management and the Chartered Accountant provided the assurance that this information or the assumptions on which this information is based is accurate. The Income-tax Officer observing that the assessee did not bring out any scientific basis for arriving at the projected figures valued the shares himself by following the net asset value method and taxed the amount received by the assessee in excess of fair market value of shares.

The assessee, being aggrieved by the order, carried the matter in appeal before Commissioner (Appeals). The Commissioner (Appeal) upheld the order of Income-tax Officer. Aggrieved by the order of Commissioner (Appeals), the assessee, filed an appeal with the Tax Tribunal.

The Tax Tribunal held that for valuation under DCF method, it is to be ensured that projection is estimated with reasonable certainty and it is not established by the assessee that this is a reliable estimate achievable with reasonable certainty, the same cannot be recognised and if the future cash flow cannot be recognised than the DCF method is not workable.

The Tax Tribunal concluded that:

- The Income-tax Officer can scrutinise the valuation report and if the Income-tax Officer is not satisfied with the explanation of the assessee, he has to record the reasons and basis for not accepting the valuation report submitted by the assessee and only thereafter, he can go for own valuation or to obtain the fresh valuation report from an independent valuer and confront the same to the assessee. But the basis has to be DCF method and he cannot change the method of valuation which has been opted by the assessee.

- For scrutinising the valuation report, the facts and data available on the date of valuation only has to be considered and actual result of future cannot be a basis to decide about reliability of the projections.

- The primary onus to prove the correctness of the valuation report is on the assessee as he has special knowledge and he is privy to the facts of the company and only he has opted for this method. Hence, he has to satisfy about the correctness of the projections, Discounting factor and Terminal Value etc. with the help of empirical data or industry norm if any and or scientific data, scientific method, scientific study and applicable guidelines regarding DCF method of valuation.

Based on the aforesaid, the Tax Tribunal remanded back the matter of valuation to the Income-tax Officer observing that the assessee should be asked to establish that such projections by the assessee, based on which the valuation report is prepared by the Chartered Accountant is estimated with reasonable certainty by showing that this is a reliable estimate achievable with reasonable certainty on the basis of facts available on the date of valuation and actual result of future cannot be a basis of saying that the estimates of the management are not reasonable and reliable.

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Indirect Taxation

Goods and Services Tax

- Vide Notification No. 29/2018-Central Tax (Rate) dated 31.12.2018., Government has introduced levy of GST under Reverse Charge Mechanism ('RCM') on Security Services with effect from January 1, 2019, wherein any registered person receiving Security services (services provided by way of supply of security personnel) from any person other than a body corporate shall be required to discharge GST on reverse charge basis.

- A new manner of utilization of Input Tax credit ('ITC') under GST with effect from. 1st February 2019 has been prescribed, which is as under:

  – First utilize full IGST input tax credit against IGST, CGST & SGST liability. (i.e., IGST input credit to be finished first)

  – If IGST input credit finishes, then only start utilizing CGST credit against CGST liability and SGST credit against SGST liability respectively. (i.e., Intra-head utilization)

  – If after point 1 & 2 still there is CGST credit & SGST credit available and IGST liability is left over, then first apply CGST credit against IGST liability and then SGST credit against IGST liability, if any. (i.e., Inter-head utilization)

In other words, IGST credit has to be initially used against IGST, CGST & SGST liability. Thereafter, CGST credit ought to be used against CGST liability & subsequently IGST liability, if any. Afterwards, SGST credit may be used against SGST liability and subsequently IGST liability, if left any.

- Vide Order No. 02/2018-Central Tax dated 31.12.2018, the Government has provided that ITC in relation to invoices issued by the supplier during FY 2017-18, can be availed by the recipient till the due date of furnishing of FORM GSTR-3B for the month of March, 2019, subject to the condition that details of such supplies have been uploaded by the supplier till the due date of filing of GSTR-1 for the m/o March 2019 i.e. April 10, 2018. Further, the rectification of details already furnished in GSTR-1 for the period FY 2017-18 would be allowed till the due date of filing of GSTR-1 for the m/o March 2019 i.e. 10th April, 2018.

- The Government has discontinued levy of GST under reverse charge mechanism u/s 9(4) of CGST Act, 2017 and notified list of services for which tax under reverse charge mechanism shall be payable by notified class of persons for specific procurement from unregistered persons, shall be issued.

- The Government has increased the threshold limit for suppliers to opt for composition scheme from INR 10 Million to INR 15 Million during the preceding financial year, with effect from February 1, 2019.

- Furthermore, following aspects have been inserted in Schedule III of section 7 of CGST Act, 2017, which lays down the instances which are exempt from levy of CGST (with effect from February 1, 2019):

  i. Supply of goods from a place in the non-taxable territory to another place in the non-taxable territory without such goods entering into India- i.e. High Seas Sale.

  ii. (a) Supply of warehoused goods to any person before clearance for home consumption;

  (b) Supply of goods by the consignee to any other person, by endorsement of documents of title to the goods, after the goods have been dispatched from the port of origin located outside India but before clearance for home consumption.

- The amendments proposed in Section 13(3)(a) of IGST Act, 2017, have been notified with effect from February 1, 2019, wherein it was notified that provisions of Section 13(3)(a) of IGST Act, 2017 shall not apply in the case of services supplied in respect of goods which are temporarily imported into India for repairs or for any other treatment or process and are exported after such repairs or treatment or process without being put to any use in India, other than that which is required for such repairs or treatment or process. In other words, any treatment or process on goods which are temporarily imported in India for repairs and are subsequently exported out of India, shall be treated as export of services and not liable to levy of GST.

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Corporate Law

MCA amends Deposit Rules

Ministry of Corporate Affairs vide notification dated 22nd January, 2019 has amended the Companies (Acceptance of Deposit) Rules, 2014 (hereinafter referred to as Deposit Rules). The Amended Rules are called the Companies (Acceptance of Deposit) Amendment Rules, 2019 (hereinafter referred to as Amendment Rules).

As per the Amended Rules, a private company needs to file a one-time return of outstanding money or loan received by a company but not considered as deposits, within the meaning of the Deposit Rules, during the period from 1st April, 2014 to 22nd January, 2019 in Form DPT-3 within 90 days from the date of publication of this notification along with applicable fees.

It may be noted that the requirement of filing Form DPT-3 is in addition to the disclosure to be made by a private company in its financial statement, by way of notes, about the money received from the directors or relatives of directors, which will continue to apply, in terms of Rule 16A of the Deposit Rules.

A copy of the MCA notification is available in the following link:

http://www.mca.gov.in/Ministry/pdf/MSMESpecifiedCompanies_22012019.pdf

MCA introduces filing of return in respect of micro and small enterprise suppliers

MCA introduces filing of return in respect of micro and small enterprise suppliers

The Central Government i.e. Ministry of Micro, Small & Medium Enterprises vide notification No. S.O.5622 (E), dated 2nd November, 2018 had directed that all companies, who get supplies of goods or services from micro and small enterprises and whose payments to micro and small enterprise suppliers exceed forty five days from the date of acceptance or the date of deemed acceptance of the goods or services as per the provisions of Section 9 of the Micro, Small and Medium Enterprises

Development Act, 2006 (hereafter referred to as “specified companies”), shall submit a half yearly return to the Ministry of Corporate Affairs stating the following:

(a) the amount of payment due; and

(b) the reasons of the delay;

Subsequently, the Ministry of Corporate Affairs has now notified vide notification No. S.O. 368(E) dated 22nd January, 2019 the MSME Form I for this purpose.

Every specified company shall file a return as per MSME Form I as under: -

1. First Return to be filed within thirty days of the notification dated 22nd January, 2019 in MSME Form I specifying the details of all outstanding dues to micro or small enterprises suppliers existing on the date of this notification.

2. Thereafter, every specified company shall file a return as per MSME Form I, by 31st October for the period from April to September and by 30th April for the period from October to March.

Copies of these two notifications dated 2nd November, 2018 and of 22nd January, 2019 are available in the following link:

http://dcmsme.gov.in/publications/circulars/Notification%202.pdf

http://www.mca.gov.in/Ministry/pdf/MSMESpecifiedCompanies_22012019.pdf

MCA amends Significant Beneficial Ownership Rules

The Ministry of Corporate Affairs has vide its Notification dated 08.02.2019 amended the existing the Companies (Significant Beneficial Owners) Rules, 2018 by introducing the Companies (Significant Beneficial Owners) Amendment Rules, 2019.

The Amendment Rules aim to look-through corporate layers to reveal individual share-holders that ultimately control or exercise significant influence over a corporate entity in India.

Rule 2(h) defines 'significant beneficial owner' (SBO) as :

"significant beneficial owner, in relation to a reporting company, means an individual referred to in sub-section (1) of section 90, who acting alone or together, or through one or more persons or trust, possesses one or more of the following rights or entitlements in such reporting company, namely:

- holds indirectly, or together with any direct holdings, not less than ten percent of the shares;
- holds indirectly, or together with any direct holdings, not less than ten percent. of the voting rights in the shares;
- has right to receive or participate in not less than ten percent. of the total distributable dividend, or any other distribution, in a financial year through indirect holdings alone, or together with any direct holdings;
- has the right to exercise, or actually exercises, significant influence or control, in any manner other than through direct holdings alone:

It may be noted that if an individual does not hold any right or entitlement indirectly, he shall not be considered to be a significant beneficial owner.

The amended definition of SBO covers individuals holding a right or entitlement indirectly in the reporting company through HUF, body corporate, partnership entity or trust.

In case a body corporate (whether incorporated in India or abroad) other than limited liability partnership is a member of the reporting company, an individual shall be considered to hold a right or entitlement indirectly in the reporting company if he satisfies any of the following criteria, in respect of a member of the reporting company-

(a) he holds a majority stake in that member; or

(b) he holds a majority stake in the ultimate holding company (whether incorporated or registered in India or abroad) of that member.

The Amendment Rules (Rule 2A) further bestow responsibility upon the reporting company to find out about the SBO, identify the individual and cause such individual to make a declaration to the reporting company. In order to find out about the SBO, the Company shall send notice in Form No. BEN-4 to all its members(other than individuals) holding not less than 10% of the company's shares/voting rights/right to receive/participate in the dividend or any other distribution payable in a financial year.

Form BEN-1 shall be filed by the individual who is the SBO to the reporting company within 90 days from the date of commencement of these Rules (i.e.8.02.2019) and for subsequent changes or acquiring the status of SBO, within 30 days of such change or acquiring the SBO status.

Upon receipt of the above declaration, the reporting company shall file a return in Form BEN 2 with the Registrar of Companies within 30 days thereof along with applicable fees.

The Amendment Rules are available at the following link:

http://www.mca.gov.in/Ministry/pdf/CompaniesOwnersAmendmentRules_08020219.pdf

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Regulatory

External Commercial Borrowings (ECB) Policy- New ECB Framework

Reserve Bank of India A.P. (DIR Series) Circular No. 17 dated January 16, 2019]

In December 2018, the Reserve Bank of India, vide its Notification No. FEMA. 3 (R)/2018-RB dated December 17, 2018 has issued the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018, wherein ECB is defined to mean borrowing by eligible residents from outside India in accordance with the framework framed by RBI in consultation with the Govt. of India.

Now Reserve Bank of India, in consultation with the Government of India, has rationalised the extant framework for ECB and Rupee Denominated Bonds to improve the ease of doing business. The new framework, framed under Foreign Exchange Management (Borrowing and Lending) Regulations, 2018, has been notified through RBI A.P. (DIR Series) Circular No. 17 dated January 16, 2019.

The amended policy comes into force with immediate effect.

The salient features of the new framework are as under:

Merging of Tracks: Merging of Tracks I and II as "Foreign Currency denominated ECB" and merging of Track III and Rupee Denominated Bonds framework as "Rupee Denominated ECB".

Eligible Borrowers: This has been expanded to include all entities eligible to receive FDI. Additionally, Port Trusts, Units in SEZ, SIDBI, EXIM Bank, registered entities engaged in micro-finance activities, viz., registered not for profit companies, registered societies/trusts/ cooperatives and non-government organisations can also borrow under this framework.

Recognised Lender: The lender should be resident of FATF (Financial Action Task Force) or IOSCO (International Organization of Securities Commissions) compliant country. Multilateral and Regional Financial Institutions, Individuals and Foreign branches / subsidiaries of Indian banks can also be lenders.

Minimum Average Maturity Period (MAMP): MAMP will be 3 years for all ECBs. However, for ECB raised from foreign equity holder and utilised for specific purposes, as detailed in the Annex, the MAMP would be 5 years. Similarly, for ECB up to USD 50 million per financial year raised by manufacturing sector, which has been given a special dispensation, the MAMP would be 1 year.

Late Submission Fee (LSF) for delay in Reporting: Any borrower, who is otherwise in compliance of ECB guidelines, except for delay in reporting drawdown of ECB proceeds before obtaining LRN or Form ECB 2 returns, can regularize the delay by payment of LSF as per the laid down procedure.

(a) ECB up to USD 750 million or equivalent per financial year, which otherwise are in compliance with the parameters and other terms and conditions set out in the new ECB framework, will be permitted under the automatic route not requiring prior approval of the Reserve Bank. The designated AD Category I bank while considering the ECB proposal is expected to ensure compliance with applicable ECB guidelines by their constituents. Any contravention of the applicable provisions shall invite penal action or adjudication under the Foreign Exchange Management Act, 1999.

(b) Lending and borrowing under the ECB framework by Indian banks and their branches/subsidiaries outside India will be subject to prudential guidelines issued by the Department of Banking Regulation of the Reserve Bank. Further, other entities raising ECB are required to follow the -issued, if any, by the concerned sectoral or prudential regulator.

(c) The New ECB framework containing revised ECB Guide-lines are set out in detail in the Annex to the RBI Circular and may be referred to on the link as given hereunder:

https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11456&Mode=0#

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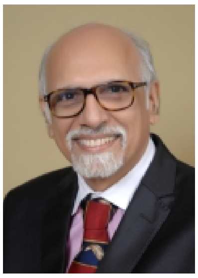
Important dates to remember

Particulars	Date
Deposit of TDS for the month of February, 2019	07.03.2019
Date of deposit of GST and filing of GSTR-3B for the month of February, 2019	20.03.2019
Filing of GSTR I for the month of February, 2019	11.03.2019

For further information, please contact:



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