

www.msglobal.co.in

Manubhai & Shah LLP

Chartered Accountants

Ahmedabad • Mumbai • NCR • Rajkot • Baroda • Gandhinagar • Udaipur

NEWSLETTER

MARCH 2022 VOL.24

Covering Updates for the Month of February' 22
For private circulation and clients only



CONTENTS

Direct Tax Updates

Company Law Updates

Accounting Updates

SEBI Updates

RBI Updates

Article on Cyber Security

Due dates of various compliances falling
in the month of March 2022

DIRECT TAX UPDATES

Circulars & Notifications

1. E-ADVANCE RULINGS SCHEME, 2022

(CBDT Notification No.248 dated 18.01.2022)

C.B.D.T. has notified new E-Advance Ruling scheme, 2022 under the provisions of section 245N r.w. section 245Q. Procedure of the Scheme is discussed hereunder:

i. Application

An application shall be e-filed by the applicant, to the Secretary or any other authorised officer of Board for Advance Rulings in specified Forms as mentioned below-

Form No	Applicable to
34C	A non-resident applicant
34D	A resident having transactions with a non-resident
34DA	A resident seeking advance ruling in relation to his tax liability arising out of one or more transactions valuing ₹ 100 crore or more
34E	Public Sector Company
34EA	For determining whether an arrangement is an impermissible avoidance arrangement as referred to in Chapter X-A or not

ii. Fees

The application shall be accompanied by a fee higher of ₹ 10,000/- or such prescribed fee.

iii. Procedure on receipt of application

- Board for Advance Rulings shall intimate the applicant about the allocation or transfer, as the case may be.
- Where the applicant is hitherto not assessed to tax in India, forward a copy of the application to Joint Secretary (Foreign Tax and Tax Research)
- Where the request is in respect of a transaction already undertaken, the Board for Advance Rulings may require the authority to whom the reference has been made to verify the facts contained in the application;
- Board for Advance Rulings, after examination of the application and the said records, in accordance with the provisions of sub-section (2) of section 245R of the Act, may-
 - By an order allow the application or
 - Call upon the applicant to explain as to why the application may not be rejected and direct him to submit any relevant material or information in support of such application
- The applicant shall not be required to appear either personally or through authorized representative in connection with any proceedings under this Scheme before the Board for Advance Rulings
- The applicant, he may also request the Board for Advance Rulings to provide him a hearing which may be provided through video conference or video telephony

iv. Order for advance ruling

- Where the applicant fails to furnish explanation, referred to in item (b) of sub-clause (viii), within such time or extended time, as may be allowed by the Board for Advance Rulings, it may proceed to pass the order under the provisions of sub-section (2) of section 245R of the Act
- Where the applicant furnishes the explanation, referred to in item (b) of sub-clause (viii), the Board for Advance Rulings may, by an order under sub-section (2) of section 245R of the Act, allow or reject the application, providing reasons for rejection in case the application is rejected

v. Rectification of mistakes.

The Board for Advance Rulings may, with a view to rectifying any mistake apparent from the record, amend any order passed by it before the ruling pronounced by the Board for Advance Rulings has been given effect to by the Assessing Officer

vi. Appellate Proceedings

An appeal against an order for advance ruling passed by the Board for Advance Rulings under this Scheme shall lie before the High Court.

2. Guidelines for ULIP U/sec 10(10D)

(CBDT Notification No.248 dated 18.01.2022)

The Finance Act, 2021 has amended section 10(10D) Act by inserting fourth to seventh provisos. Fourth proviso provides that, with effect from 01-02-2021, the sum received under a Unit Linked Insurance Policy (ULIP), issued on or after 01-02-2021, shall not be exempt if the amount of premium payable for any of the previous years during the term of such policy exceeds Rs. 2,50,000.

Further, fifth proviso provides that if premium is payable for more than one ULIP, issued on or after 1-2-2021, the exemption under the said clause shall be available only with respect to such policies where the aggregate premium does not exceed Rs. 2,50,000 for any of the previous years during the term of any of those policies.

Sixth proviso provides that the fourth and fifth provisos shall not apply in case of sum received on death of the person.

The above Guidelines are explained as under:

	Case		Situation	Tax Impact
1.	No consideration is received by the assessee on any eligible ULIPs during any preceding year ; or consideration has been received on such eligible ULIPs but no exemption was claimed .	i	If the assessee has received consideration, during the current previous year, under one eligible ULIP only and the amount of premium payable on such eligible ULIP does not exceed Rs. 2,50,000	Such consideration shall be Exempt under section 10(10D)
		ii	If the assessee has received consideration, during the current previous year, under one eligible ULIP only and the amount of premium payable on the same exceeds Rs. 2,50,000	No Exemption under section 10 (1 0 D) o n s u c h consideration
		iii	Received consideration, during the current previous year, under more than one eligible ULIPs and the aggregate of the amount of premium payable on the same does not exceed Rs. 2,50,000	Such consideration shall be Exempt under section 10(10D)
		iv	Received consideration, during the current previous year, under more than one eligible ULIPs and the aggregate of the amount of premium payable on the same exceeds Rs. 2,50,000	The consideration under only such eligible ULIPs shall be eligible for exemption under section 10(10D) where aggregate of the amount of the premium payable does not exceed Rs.2,50,000

	Case		Situation	Tax Impact
2.	Consideration received by the assessee under any one or more eligible ULIPs during any preceding year and; exemption was claimed under section 10(10D)	i	Consideration received, during the current previous year, under one eligible ULIP only and aggregate amount of premium payable on such eligible ULIP and old ULIPs does not exceed Rs. 2,50,000	Such consideration shall be Exempt under section 10(10D)
		ii	Received consideration, during the current previous year, under one eligible ULIP only and aggregate amount of premium payable on such eligible ULIP and old ULIPs exceeds Rs. 2,50,000	No Exemption under section 10(10D) on such consideration
		iii	Received consideration, during the current previous year, under more than one eligible ULIPs and aggregate of the premium payable on such eligible ULIPs and old ULIPs does not exceeds Rs. 2,50,000	Such consideration shall be Exempt under section 10(10D)
		iv	Received consideration, during the current previous year, under more than one eligible ULIPs and aggregate of the premium payable on such eligible ULIPs and old ULIPs exceeds Rs. 2,50,000	The consideration under only such eligible ULIPs shall be eligible for exemption under section 10(10D) where aggregate of the amount of the premium payable does not exceed Rs. 2,50,000

3. New rule 8AD for Computation of Capital Gain of ULIP Plan (CBDT Notification No. 370142/61/2021 dated 18.02.2022)

The Finance Act, 2021 has inserted new sub-section (1B) to section 45 w.e.f. A.Y. 2021-22 charging the amount received from ULIP to which exemption under section 10(10D) is not applicable under the head "Capital Gain". **A new Rule 8AD has been introduced providing mechanism of computation of such Capital Gain as under-**

	Clause Situation	Amount of Capital Gain (CG)
i	Amount is received for the first time under the specified unit linked insurance policy (ULIP) during the previous year	CG= A-B where A- Receipt from specified ULIP B- Aggregate of the premium paid during the term of the specified ULIP till the date of receipt
ii	Amount is received under the specified ULIP during the previous year, at any time after the receipt of the amount as referred to in clause (I)	CG= C-D C - Receipt under a specified ULIP during the previous year, at any time after the receipt of the amount as referred to in clause (I) above D - The aggregate of the premium paid during the term of the specified ULIP till the date of receipt of the amount as referred to in 'C' as reduced by the premium considered for calculation of taxable amount under clause (I)

4. Clarification regarding the Most-Favoured-Nation (MFN) clause in the Protocol to India's DTAA's with certain countries

(CBDT Notification No. 3/2022 dated 03.02.2022)

The Protocol to India's Double Taxation Avoidance Agreements (DTAAs) with some of the countries, especially European States and OECD members (The Netherlands, France, the Swiss Confederation, Sweden, Spain and Hungary) contains a provision, referred to as the Most-Favoured-Nation (MFN) clause.

Generally, after the signature or entry into force of the DTAA with the first State, India enters into a DTAA with another OECD Member State Under the MFN Clause, wherein India limits its source taxation rights in relation to certain items of income such as dividends, interest income, royalties, Fees for Technical Services, etc. to a lower rate.

India's DTAA's with countries, namely Slovenia, Colombia and Lithuania, provide for lower rate of source taxation with respect to certain items of income. However, these States were not members of the OECD at the time of the conclusion of their DTAA's with India and have become members of the OECD thereafter. In view of the decree / bulletin / publication from Netherland, France and Swiss Confederation on interpretation of the MFN Clause, the CBDT hereby clarified that the applicability of the MFN clause and benefit of the lower rate or restricted scope of source taxation rights in relation to certain items of income (such as dividends, interest income, royalties, Fees for Technical Services, etc.) provided in India's DTAA's with the third States will be available to the first (OECD) State only when all the following conditions are met:

- i. The second treaty (with the third State) is entered into after the signature/Entry into Force (depending upon the language of the MFN clause) of the treaty between India and the First State;
- ii. The second treaty is entered into between India and a State which is a member of the OECD at the time of signing the treaty with it
- iii. India limits its taxing rights in the second treaty in relation to rate or scope of taxation in respect of the relevant items of income; and
- iv. A separate notification has been issued by India, importing the benefits of the second treaty into the treaty with the first State, as required by the provisions of Section 90(1) of the Income-tax Act, 1961.

If all the above conditions enumerated in (i) to (iv) are satisfied, then the lower rate or restricted scope in the treaty with the third State is imported into the treaty with an OECD State having MFN clause from the date as per the provisions of the MFN clause in the DTAA, after following the due procedure under the Indian tax law.

Notwithstanding the clarification given in the above paragraphs, where in the case of a taxpayer there is any decision by any court on this issue favourable to such taxpayer this Circular will not affect the implementation of the court order in such case

5. Clarification on FAQ 6 & FAQ 3 Reporting issued by U.S. IRS in respect of FATCA Reportable Accounts

(Circular F. No. 500/107/2015-FT&TR-III, Dtd 31.01.02022)

Reporting Financial Institution (RFI) has to follow the guidance in respect of reporting of U.S. reportable accounts. Additionally, RFIs are advised to suitably revise the reports submitted in Form 61B in respect of U.S. reportable accounts pertaining to Calendar Year 2020, if applicable, in conformity with FAQ 6 (reporting) issued by the U.S. IRS which provides that a Model 1 FFI is required to obtain and exchange the U.S. taxpayer identification number (TIN) data element for each specified U.S. person that is an account holder or a controlling person of a non-U.S. entity (a specified U.S. person) in accordance with the Intergovernmental Agreement between the United States of America and your Model 1 jurisdiction (IGA).

In order to obtain a U.S. TIN, the IRS has developed a series of codes that may be used by a reporting Model 1 FFI to populate the TIN field. The IRS will take into account the facts and circumstances leading to the absence of the U.S. TIN, such as the reasons why the TIN could not be obtained, whether the FFI has adequate procedures in place to obtain TINs, and the efforts made by the FFI to obtain TINs. For example, whether the FFI is contacting account holders annually to request any missing TINs. The TIN field code are as follows:

- 222222222 - Preexisting individual account with only U.S. indicia being a U.S. place of birth.
- 333333333 - New individual account that (1) has indicia of a U.S. place of birth, and (2) either:
 - (a) Has a change in circumstances causing the self-certification originally obtained at account opening to be incorrect or unreliable, and a new self-certification has not been obtained, or
 - (b) Was below the threshold for documenting and reporting the account at the time of account opening and subsequently exceeded the threshold, and a self-certification has not been obtained.

- 444444444 - Preexisting individual and entity account that (1) has U.S, indicia other than a U.S. place of birth, and (2) either:
 - (a) Has a change in circumstances, causing the self-certification or other documentation originally obtained to be incorrect or unreliable, and a new self-certification or other documentation has not been obtained, or
 - (b) Was below the threshold for documenting and reporting the account at the time of account opening and subsequently exceeded the threshold, and a self-certification or other documentation has not been obtained.
- 555555555 - New individual and entity account that has a U.S, indicia other than a U.S. place of birth, and (2) either:
 - (a) Has a change in circumstances causing the self-certification or other documentation originally obtained to be incorrect or unreliable, and a new self-certification or other documentation has not been obtained, or
 - (b) Was below the threshold for documenting and reporting the account at the time of account opening and subsequently exceeded the threshold, and a self-certification or other documentation has not been obtained.
- 666666666 - Pre-existing entity account with account balance exceeding \$1,000,000 held by a passive NFFE with respect to which no self-certifications have been obtained, and no U.S. indicia has been identified in relation to its controlling persons.
- 777777777 - For pre-existing accounts where there is no TIN available and the account has been dormant or inactive, but remains above the reporting threshold, also known as a "dormant account". For reference, the U.S. defines "dormant account" in U.S. Treasury Regulations §1.1471-4(d)(6)(ii).

The Indian RFIs should ensure that the U.S. TIN is reported in respect of all U.S. Reportable accounts. However, if the U.S. TIN is not obtained, the RFI may populate the TIN field with specified codes in scenarios mentioned in the FAQ 6 (reporting) of U.S. IRS. It is to be noted that in all such cases where TIN has not been obtained, the U.S. IRS system will still generate an error notification to indicate that the entry is invalid when one of the above mentioned codes are used. If none of the specified codes as highlighted in FAQ 6(reporting) are applicable to the facts of a particular scenario and the TIN has not been obtained, the RFIs are advised as per FAQ 3(reporting) of U.S. IRS to populate the TIN field with nine times A or 0 (zero) which will also generate an error notification. The error notification in either case will provide 120 days to correct the issues. If the U.S. TIN is not provided within that 120 day period, the U.S. will evaluate the data received and determine through a consideration of facts and circumstances if there is significant non-compliance.



COMPANY LAW UPDATES

1. Insertion of New E-form CSR-2:

Every company to which the provisions of Corporate Social Responsibility (CSR) is applicable, shall furnish a report on Corporate Social Responsibility in Form CSR-2 to the Registrar for the preceding financial year (2020-2021) and onwards as an addendum to Form AOC-4.

For the preceding financial year (2020-2021), Form CSR-2 shall be filed separately on or before 31st March 2022 after filing Form AOC-4.

Notification and E-Form can be accessed at:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTE3OTE2OTE=&docCategory=Notifications&type=open>

2. Application of Certain Section of Companies Act to LLPs:

Central Government directs that the provisions of sections 90, 164, 165, 167, sub-section (5) of section 206, sub-section (3) of section 207, 252 and section 439 of the Companies Act, 2013 (18 of 2013), shall apply to limited liability partnership with certain modifications. The provisions are related to maintenance of register of beneficial owner, Disqualification of directors, maximum no. of directorship, vacation of office of director, inspection of books and conduct of inquiries, appeal to tribunal, non-cognizable offences, etc.

Notification can be accessed at:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTE3OTE3MTA=&docCategory=Notifications&type=open>

3. Relaxation on levy of additional fees in filing of E-forms AOC-4 and MGT-7:

Relaxation has been provided whereby no additional fees will be levied upto 15.03.2022 for the filing of e-forms AOC-4, AOC-4 (CFS), AOC-4 XBRL, AOC-4 Non-XBRL and upto 31.03.2022 for filing of e-forms MGT-7 / MGT-7A in respect of the financial year ended on 31.03.2021 respectively.

Circular can be accessed at:

<https://www.mca.gov.in/bin/dms/getdocument?mds=dJwPZuhvXhaSatUCw9YnZA%253D%253D&type=open>

4. Commencement notification of Limited Liability Partnership (Amendment) Act, 2021

The Central Government has appointed 1st April, 2022 as the date on which the provisions of Section 1 to 29 of the Limited Liability Partnership (Amendment) Act, 2021 shall come into force.

Notification can be accessed at:

<https://www.mca.gov.in/bin/dms/getdocument?mds=vkSqdxxtaHgc57aBt3FcQ%253D%253D&type=open>

5. Limited Liability Partnership (Amendment) Rules, 2022

Central Government has amended some rules further to amend the Limited Liability Partnership Rules, 2009. The said amended rules shall come into force with effect from 1st April, 2022

Notification can be accessed at:

<https://www.mca.gov.in/bin/dms/getdocument?mds=WnSUTRIP8aoAr6RLk1JIPg%253D%253D&type=open>



ACCOUNTING UPDATES

- **EAC Opinion:**

Expert Advisory Committee (EAC) of ICAI has provided an Opinion on Presentation of interest earned from deployment of surplus funds with banks

The relevant text of the Opinion is reproduced below:

“The Committee is of the view that in the extant case, considering the requirements of the Guidance Note and the information and facts available with the Committee, interest income in the case of the Company (being an ‘other than finance company’) should be disclosed under the head ‘other income’.

The Committee also wishes to point out that accounting treatment depends on the nature of income and mere allowing to retain or use interest income for meeting the expenditure does not change the nature of income. The Committee is also of the view that regularity or quantum of an item of income may not necessarily determine the nature of an income as operating or non-operating.”

EAC Opinion can be accessed at:

<https://resource.cdn.icai.org/69505cajournal-mar2022-13.pdf>



SEBI UPDATES

A. Disclosure in the abridged prospectus and front cover page of the offer document:

In order to simplify, provide greater clarity and consistency in the disclosures across various documents and to provide additional but critical information in the abridged prospectus, the format for disclosures in the abridged prospectus and a format for disclosure on front outside cover page have been revised.

The issuer company / MBs shall insert a Quick Response (QR) code on the front page of the documents such as front outside cover page, abridged prospectus, price band advertisement, etc. as deemed fit by them. The scan of QR code shall lead to downloading of prospectus, abridged prospectus and price band advertisement as applicable.

Circular and revised format of disclosures can be accessed at:

https://www.sebi.gov.in/legal/circulars/feb-2022/disclosures-in-the-abridged-prospectus-and-front-cover-page-of-the-offer-document_55920.html

B. Guidelines on Accounting with respect to Indian Accounting Standards (INDAS) for AMCs:

SEBI vide notification dated January 25, 2022 amended SEBI (Mutual Funds) Regulations, 1996 (MF Regulations), which, inter-alia, mandated that the AMCs shall prepare the Financial Statements and Accounts of the Mutual Fund Schemes in accordance with IND AS with effect from April 01, 2023. Accordingly, the following requirements are specified:

- (i) Mutual Fund Schemes shall prepare the opening balance sheet as on date of transition and the comparatives as per the requirements of INDAS.
- (ii) Perspective historical per unit statistics mentioned in Clause 6 of Eleventh Schedule of MF Regulations requires disclosure of scheme wise per unit statistics for the past 3 years. In this regard, Mutual Fund schemes may not be mandatorily required to restate the previous years published perspective historical per unit statistics as per requirement of INDAS for the first two years first time adoption of INDAS. However, Mutual Fund schemes shall furnish following additional information in perspective historical per unit statistics:
 - a) Label the previous Generally Accepted Accounting Principles (GAAP) information prominently as not being prepared in accordance with INDAS; and
 - b) Disclose the nature of the adjustments that would be required to make it comply with INDAS. Mutual Funds schemes need not quantify those adjustments.
 - c) The Financial Statements of the Mutual Fund Schemes shall be prepared in the Formats given in the Circular.

Circular can be accessed at:

https://www.sebi.gov.in/legal/circulars/feb-2022/circular-on-guidelines-on-accounting-with-respect-to-indian-accounting-standards-ind-as-_55919.html

C. Scheme of Arrangement by Listed Entities:

In respect of the No Objection Certificate (NOC) as required in terms of Circular dated November 16, 2021 and November 18, 2021, Part I Para A2(k) of the circular* shall read as

follows:

No Objection Certificate (NOC) from the lending scheduled commercial banks / financial institutions/ debenture trustees, from not less than 75% of the secured creditors in value.

(*Addendum to Part I Para A2(k) of the Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020)

The said Circular shall be applicable for all the schemes filed with the stock exchanges after November 16, 2021

Circular can be accessed at:

https://www.sebi.gov.in/legal/circulars/feb-2022/schemes-of-arrangement-by-listed-entities_55805.html

D. Extension to SEBI Circular on “Relaxation in adherence to prescribed timelines issued by SEBI due to Covid 19” dated April 13, 2020

Relaxation is given to intermediaries/market participant’s w.r.t compliance with the prescribed timelines which has been extended to June 30, 2022 in view of Covid situation. The aforesaid relaxation shall be applicable for items No. 1-7 mentioned in para no. 2 of the said Circular dated February 25, 2022.

Circular can be accessed at:

https://www.sebi.gov.in/legal/circulars/feb-2022/extension-to-sebi-circular-on-relaxation-in-adherence-to-prescribed-timelines-issued-by-sebi-due-to-covid-19-dated-april-13-2020_56425.html



RBI UPDATES

1. Introduction of Registration of Factors (Reserve Bank) Regulations 2022:

RBI has introduced aforesaid regulations applicable w.e.f. 17th January, 2022 in order to issue separate certificate of registration to NBFC's intending to do mainly factoring business. Minimum net owned fund of Rs. 5 crore and compliance with principal business criteria ("PBC") of minimum 50% of total assets and total income should be factoring assets and income from factoring respectively is necessary for new NBFC to get registration certificate. Existing NBFC-ICC willing to start factoring business shall seek registration subject to fulfilment of specified criteria. Existing NBFC-ICC not fulfilling the defined conditions but still willing to undertake factoring business shall apply to RBI for conversion of their registration from NBFC-ICC to NBFC-Factor.

Link of notification dated 14th January, 2022

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12222&Mode=0>

2. Introduction of Registration of Assignment of Receivables (Reserve Bank) Regulations 2022:

The above regulations have been made applicable w.e.f. 17th January, 2022. As per the said regulations, if any trade receivable is financed through a Trade Receivables Discounting System (TReDS), the concerned TReDS on behalf of the Factor shall, within a period of ten days, from the date of such assignment or satisfaction thereof, as the case may be, file with the Central Registry the particulars of

- (a) Assignment of receivables in favour of a Factor in Form I, which shall be authenticated by the authorized person using a valid electronic signature.
- (b) Satisfaction of any assignment of receivables on full realization of the receivables in Form II, which shall be authenticated by the authorized person using a valid electronic signature.

There is prescribed fee which would be required to be paid by the TReDS if the said forms are not filed within defined timelines.

Link of notification dated 14th January, 2022

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12223&Mode=0>

3. Extension of MSME registrations:

With respect to RBI circular RBI/2020-2021/26 FIDD.MSME & NFS.BC.No.4/06.02.31/2020-21, wherein new definition and subsequent classification/re-classification of MSME's was notified. In the said circular, the existing Entrepreneurs Memorandum ("EM") Part II and Udyog Aadhaar Memorandum ("UAMs") of existing MSME's were valid till March 31, 2021 and new registrations were required to be obtained before that date. However, the date for validity of existing registrations and application of new registrations is now extended upto March 31, 2022.

Link of notification dated 18th February, 2022

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12233&Mode=0>

4. Implementation of Core Financial Services Solution (CFSS) by specified NBFCs:

In reference to Reserve Bank's Circular Ref. DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021 on 'Scale Based Regulation (SBR) which was given by us in our November newsletter, it has been decided that NBFC's – Middle layer and Upper layer with 10 or more fixed point service delivery units as on October 1, 2021 shall be mandatorily required to implement CFSS akin to Core Banking Solution adopted by banks within defined timeframe.

Category of NBFC	Timeframe for implementation
NBFC – Middle and Upper Layers with 10 or more 'Fixed point service delivery units'	On or before September 30, 2025 However, NBFC-UL shall ensure that the CFSS is implemented at least in 70 per cent of 'Fixed point service delivery units' on or before September 30, 2024.
NBFC – Base Layer and NBFC – Middle and Upper Layers with fewer than 10 'Fixed point service delivery units'	Not mandatory. However, they may consider implementation of a Core Financial Services Solution for their own benefit.

Link of notification dated 23rd February, 2022

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12247&Mode=0>



ARTICLE ON CYBER SECURITY

Protect information, computers, and networks from cyber attacks by following the following tips as may be applicable to you and your organisation:

A. Backing Up Your Data

Regularly take back of your important data and test to ensure the data can be restored. This will reduce the inconvenience of any data loss from theft, fire, other physical damage, or ransomware.

- **Identify what needs to be backed up.** Normally this will comprise of critical data such as word processing documents, electronic spreadsheets, databases, financial files, human resources files, accounts receivable / payable files, emails, contacts, images, and calendars, kept in a few common folders. Make baking up part of your everyday task.
- **Ensure the device containing your backup is not permanently connected** to the device holding the original copy, neither physically nor over a local network
- **Backup data automatically if possible**, or at least weekly.
- **Consider backing up to the cloud.** This means your data is stored in a separate location (away from your offices/devices), and you'll also be able to access it quickly, from anywhere.

B. Using Passwords to Protect Your Data

Passwords - when implemented correctly - are a free, easy and effective way to prevent, unauthorised people from accessing your devices and data. Require employees to use unique passwords and change passwords every three months. Consider implementing multi-factor authentication that requires additional information beyond a password to gain entry. Check with your vendors that handle sensitive data, especially financial institutions, to see if they offer multi-factor authentication for your account.

- Make sure all laptops and PCs use **encryption products** that require a password to boot. Switch on **password/PIN protection** or **fingerprint recognition** for mobile devices.
- **Use two factor authentication (2FA)** for important websites like banking and email, if you're given the option
- **Avoid using predictable passwords** (such as family and pet names). Avoid the most common passwords that criminals can guess.
- **Do not enforce regular password changes;** they only need to be changed when you suspect a compromise.
- **Change** the manufacturers' default passwords that devices are issued with, before they are distributed to staff.
- **Provide secure storage** so staff can write down passwords and keep them safe (but not with the device). Ensure staff can reset their own passwords, easily.
- **Consider using a password manager.** If you do use make sure that the 'master' password (that provide access to all your other passwords) is a strong one.

C. Preventing Malware Damage

- Protect organisation from the damage caused by malicious software, including viruses ('malware') by adopting some simple and low-cost techniques.
- **Use antivirus software** on all computers and laptops. **Only install approved software** on tablets and smartphones, and prevent users from downloading third party apps from unknown sources.
- **Patch all software and firmware** by promptly applying the latest software updates provided by manufacturers and vendors. Use the 'automatically update' option where available.
- **Control access to removable media** such as SD cards and USB sticks. Consider disabling ports, or limiting access to sanctioned media. Encourage staff to transfer files via email or cloud storage instead.
- **Switch on your firewall** (included with most operating systems) to create a buffer zone between your network and the Internet. A firewall is a set of related programs that prevent outsiders from accessing data on a private network. Make sure the operating system's firewall is enabled or install free firewall software available online. If employees work from home, ensure that their home system(s) are protected by a firewall.

D. Avoid Phishing Attacks

- **In phishing attacks**, scammers send fake emails asking for sensitive information (such as bank details), or containing links to bad websites
- Ensure staff don't **browse the web or check emails** from an account with **Administrator** privileges. This will reduce the impact of successful phishing attacks.
- **Scan for malware and change passwords** as soon as possible if you suspect a successful attack has occurred. **Don't punish staff** if they get caught out (it discourages people from reporting in the future).
- Check for obvious signs of phishing, like **poor spelling and grammar**, or **low quality versions** of recognisable logos. Does the sender's email address look legitimate, or is it trying to mimic someone you know?
- **Limit employee access to data and information, limit authority to install software** - Do not provide any one employee with access to all data systems. Employees should only be given access to the specific data systems that they need for their jobs, and should not be able to install any software without permission.

E. Keeping Smartphones or Tablets Safe

Smartphones and tablets (which are used outside the safety of office and home) need even more protection than 'Desktop' Environment. Mobile devices can create significant security and management challenges, especially if they hold confidential information or can access the corporate network. Require users to password-protect their devices, encrypt their data, and install security apps to prevent criminals from stealing information while the phone is on public networks. Be sure to set reporting procedures for lost or stolen equipment.

- Switch on PIN/password protection/fingerprint recognition for mobile devices.
- Configure devices so that when lost or stolen they can be tracked, remotely wiped or remotely locked.
- Keep your devices (and all installed apps) up to date, using the 'automatically update' option if available.
- When sending sensitive data, don't connect to public Wi-Fi hotspots - use 3G or 4G connections (including tethering and wireless dongles) or use VPNs
- Secure your Wi-Fi networks: make it secure, encrypted, and hidden. Hide Wi-Fi network, by setting up your wireless access point or router, so it does not broadcast the network name, known as the Service Set Identifier (SSID). Password protect access to the router.
- Replace devices that are no longer supported by manufacturers with up-to-date alternatives.

F. Employ best practices on payment cards

Work with banks or processors to ensure the most trusted and validated tools and anti-fraud services are being used. You may also have additional security obligations pursuant to agreements with your bank or processor. Isolate payment systems from other, less secure programs and don't use the same computer to process payments and surf the Internet.



DUE DATE

Due dates of various compliances falling in the month of March' 2022

S.No	Due Date	Act/Authority	Compliance Description
1	02/03/2022	Income tax	Furnishing of challan-cum statement of tax deducted under 194-IA, 194-IB and 194M in the month of January -2022
2	07/03/2022	GujRera	In case of real estate projects whose dynamic quarter completes in February-2022
3	07/03/2022	Income tax	Deposit of tax deducted/collected at source for the month of February-2022
4	10/03/2022	GST	GSTR-7/GSTR-8 for the month of February-2022 for persons required to deduct TDS
5	10/03/2022	GST	GSTR-8 for the month of February -2022 for e-commerce operator required to Collect TCS
6	11/03/2022	GST	GSTR-1 for the month of February-2022 for taxpayers opted to file Monthly Return
7	13/03/2022	GST	GSTR-6 for the month of February-2022 for Input Service Distributor(ISD)
8	15/03/2022	MCA	Extended Due date for filing of Financial Statement for the financial year 2020-2021 in Form AOC-4, AOC-4 (CFS), AOC-4 XBRL, AOC-4 Non-XBRL
9	15/03/2022	Income tax	Fourth installment of advance tax for the assessment year 2022-2023
10	15/03/2022	Income tax	Filing of Income Tax Return for the financial year 2020-21 for all assessee other than (a) corporate-assessee or (b) non-corporate assessee (whose books of account are required to be audited) or (c) partner of a firm whose accounts are required to be audited or (d) an assessee who is required to furnish a report under section 92E
11	15/03/2022	PF/ESIC	Payment of PF / ESIC for the month of February-2022
12	20/03/2022	GST	Payment of GST & Filing of GSTR-3B for the month of February -2022, for taxpayers having turnover of more than Rs.5 Crore in preceding financial Year or who have opted to file monthly return
13	20/03/2022	GST	GSTR-5 & 5A by Non-resident taxable person & OIDAR for the month of February -2022
14	25/03/2022	GST	Payment of GST in PMT-06 for the month of February-2022 for taxpayers who opted for QRMP Option
15	30/03/2022	Income tax	Furnishing of challan-cum statement of tax deducted under 194-IA, 194-IB and 194M in the month of February-2022
16	31/03/2022	Income tax	Linking Aadhar number with PAN
17	31/03/2022	MCA	Extended Due date for filing of Annual Return for the financial year 2020-2021 in forms MGT-7 / 7A
18	31/03/2022	GujRERA	Extended Due date for Filing of GujRERA Audit Report in Form 5 for the financial year 2020-2021
19	31/03/2022	MCA	Filing of CSR-2 - Report on Corporate Social Responsibility for the financial year 2020-2021 for companies Covered under Section 135(1) of Companies Act, 2013
20	31/03/2022	Income tax	Filing of belated/revised return of income for assessment year 2021-22 for all assesseees
21	31/03/2022	GST	Availing option for composition scheme for upcoming FY 2022-2023 in Form CMP-02



Manubhai & Shah LLP, a Limited Liability Partnership with LLP identity No. AAG-0878.

Manubhai & Shah LLP

Chartered Accountants

CORPORATE OFFICE

G-4, Capstone, Opp. Chirag Motors,
Gujarat College Road, Ellisbridge,
Ahmedabad - 380 006, Gujarat, India.
Phone : +91 79 2647 0000
Email : info@msglobal.co.in

MUMBAI OFFICE

3C Maker Bhavan No II,
18, New Marine Lines,
Mumbai - 400 020, Maharashtra, India.
Phone : +91 22 6633 3668/59/60
Fax : +91 22 6633 3561
Email : infomumbai@msglobal.co.in

Unit No-. 502,
5th Floor, Modi House,
Bajaj Cross Road, Kandivali (West),
Mumbai - 400 067,
Maharashtra, India,

NCR OFFICE

G-63, SFS, Gaurav Apartments,
New Delhi – 110 017
Phone : +91 98187 84187

KNOWLEDGE PROCESSING CENTRE

2nd Floor, "D" Wing,
Shivalik Corporate Park,
Behind IOC Petrol Pump,
132ft. Ring Road, Satellite,
Ahmedabad - 380 015, Gujarat, India.

13th Floor, A Block,
Ratnakar Nine Square,
Opp. Keshav Baug party Plot,
Mansi Road, Vastrapur,
Ahmedabad - 380 015, Gujarat, India.

BRANCHES

RAJKOT | BARODA | UDAIPUR | GANDHINAGAR