

SKJ iCAN

Newsletter

July 2021

DEAR READERS:

Greetings!!!

Last week, the Central Government announced its decision to include retail and wholesale trade under MSME definition. This will benefit the traders, to get the benefit of priority sector lending under the RBI guidelines. This step will definitely help to get easier finance, other benefits and boost the business activities to some extent. They are now eligible to register on the Udaym Registration Portal. This is a welcome step initiated by the Central Govt. Earlier only manufacturers and service providers included in definition of MSME and retail and wholesale trade were left out.

India's merchandise exports in June 2021 was US\$ 32.46 billion, an increase of 47.34% over US\$ 22.03 billion in June 2020 and an increase of 29.7% over US\$ 25.03 billion in June 2019. India's merchandise exports in Apr-June 2021 was US\$ 95.36 billion, an increase of 85.36% over US\$ 51.44 billion in Apr-June 2020 and an increase of 17.85% over US\$ 80.91 billion in Apr-June 2019.

We look forward to your feedback on the contents of our Newsletter or you can send suggestions at itskj@khandelwaljain.com

Stay Safe and healthy!!!

Jai Hind

With Warm Regards

Team **SKJ iCAN**

“True knowledge is not attained by thinking, It is what you are; it is what you become “- Sri Aurobindo

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Extended Due date for linking Aadhar Number with PAN - 30th September 2021

INCOME TAX

1] CBDT has inserted the Cost inflation Index for FY 2021-22 as mentioned below vide Notification No. 73/ 2021/F.No.370142/10/2021-TPL:

SI. No.	Financial Year	Cost Inflation Index
(1)	(2)	(3)
21	2021-2022	317

This notification shall come into force with effect from 1st day of April, 2022 and shall accordingly apply to the Assessment Year 2022-2023 and subsequent years

2] CBDT has approved 'INDIAN INSTITUTE OF TECHNOLOGY ' as Scientific Research association/ institution:

The Central Government has approved M/s Indian Institute of Technology, Bhilai (PAN: AABAI0415K) under the category of 'University, College or other institution' for Scientific Research and Research in Social Science and Statistical Research for the purposes of clauses (ii) and (iii) of sub-section (1) of section 35 of the Act .

3] Applicability of TDS and TCS at higher rate under section 206AB and 206CCA of the Income Tax Act, 1961 (Circular No. 11 of 2021 issued by CBDT):

Section 206AB and 206CCA are newly inserted sections in the Income Tax Act, 1961 vide Finance Act, 2021. These are the special provisions for deduction/collection of tax at source for certain non-filers (*specified person*) at higher of the following rates:

For Section 206AB	For Section 206CCA
(i) At twice the rates specified in the relevant provisions of the act	i) At twice the rates specified in the relevant provisions of the act
(ii) At twice the rate or rates in force	(ii) At the rate of 5%
(iii) At the rate of 5 %	

Further, Section 206AB/206CCA provides that on non-furnishing of PAN by the specified person, Section 206AA/206CC shall be applicable in addition to this section respectively and the tax shall be deducted/collected at higher of two rates provided in Section 206AB/206CCA and in Section 206AA/206CC.

These provisions are effective from 1st July 2021.

Specified persons means person who satisfies both the following conditions:

- 1) The person who has not filed the returns of income for both of the two assessment years relevant to the two previous years immediately before the previous year in

which tax is required to be deducted collected. Two previous years to be counted are required to be those whose return filing date under sub-section (1) of section 139 has expired.

- 2) Aggregate of tax deducted at source and tax collected at source is rupees fifty thousand or more in each of these two previous years.

Provided that the specified person shall not include a non-resident who does not have a permanent establishment in India.

Explanation - For the purposes of this sub-section, the expression 'permanent establishment' includes a fixed place of business through which the business of the enterprise is wholly or partly carried on."

Thus if any of the above conditions are not satisfied then provisions of Section 206AB/ Section 206CCA will not be applicable

4] Compliance Check Functionality for Section 206AB & 206CCA of Income-tax Act 1961 (Notification No. 01 of 2021)

To ease the compliance burden of identifying the specified person by the tax deductor/collector, CBDT has issued a Circular regarding use of functionality wherein a new functionality “**Compliance Check for Section 206AB and 206CCA**” is made available through reporting portal of Income Tax department. This functionality is made available through <https://report.insight.gov.in/reporting-webapp/portal/homePage> of Income-tax Department.

5] Government grants tax exemption for expenditure on Covid treatment and ex-gratia received on death due to Covid (Press Release dated June 25th, 2021):

It has been decided to provide income-tax exemption to the amount received by a taxpayer for medical treatment from employer or from any person for treatment of Covid-19 during FY 2019-20 and subsequent years.

In case of death of taxpayer, the ex-gratia amount received by family member of taxpayer from the employer will be wholly exempt from tax. However, if the financial assistance is received from any other person then the tax exemption shall be limited to Rs. 10 lakh in aggregate.

6] Extension of Timelines (Notifications nos. 74/2021 & 75/2021 dated 25th June, 2021 Circular no. 12/2021 dated 25th June, 2021):

Sr. No.	Particulars	Extended due dates

1	Objections to Dispute Resolution Panel (DRP) and Assessing Officer under section 144C of the Income-tax Act, 1961 (hereinafter referred to as “the Act”) for which the last date of filing under that section is 1st June, 2021 or thereafter, may be filed within the time provided in that section or by 31st August, 2021 , whichever is later.	August 31, 2021
2	The Statement of Deduction of Tax for the last quarter of the Financial Year 2020-21, required to be furnished on or before 31st May, 2021 under Rule 31A of the Income-tax Rules,1962 (hereinafter referred to as “the Rules”), was extended to 30th June, 2021 vide Circular No.9 of 2021	Further extended to 15th July, 2021
3	The Certificate of Tax Deducted at Source in Form No.16 , required to be furnished to the employee by 15th June, 2021 under Rule 31 of the Rules, was earlier extended to 15th July, 2021 vide Circular No.9 of 2021.	Further extended to 31st July, 2021
4	The Statement of Income paid or credited by an investment fund to its unit holder in Form No. 64D for the Previous Year 2020-21, required to be furnished on or before 15th June, 2021 under Rule 12CB of the Rules, was earlier extended to 30th June, 2021 vide Circular No.9 of 2021.	Further extended to 15th July, 2021
5	The Statement of Income paid or credited by an investment fund to its unit holder in Form No. 64C for the Previous Year 2020-21, required to be furnished on or before 30th June, 2021 under Rule 12CB of the Rules, was earlier extended to 15th July, 2021 vide Circular No.9 of 2021	Further extended to 31st July, 2021
6	The application under Section 10(23C), 12AB, 35(1)(ii)/(iia)/(iii) and 80G of the Act in Form No. 10A/ Form No.10AB, for registration/ provisional registration/ intimation/ approval/ provisional approval of Trusts/ Institutions/ Research Associations etc., required to be made on or before 30th June, 2021	Now can be made on or before 31st August, 2021 .
7	The compliances to be made by the taxpayers such as investment, deposit, payment, acquisition, purchase, construction or such other action, by whatever name called, for the purpose of claiming any exemption under the provisions contained in Section 54 to	Now may be completed on or before 30th September, 2021 .

	54GB of the Act, for which the last date of such compliance falls between 1st April, 2021 to 29th September, 2021 (both days inclusive)	
8	The Quarterly Statement in Form No. 15CC to be furnished by authorized dealer in respect of remittances made for the quarter ending on 30th June, 2021, required to be furnished on or before 15th July, 2021 under Rule 37 BB of the Rules	Now may be furnished on or before 31st July, 2021 .
9	The Equalization Levy Statement in Form No. 1 for the Financial Year 2020-21, which is required to be filed on or before 30th June, 2021	Now may be furnished on or before 31st July, 2021 .
10	The Annual Statement required to be furnished under sub-section (5) of section 9A of the Act by the eligible investment fund in Form No. 3CEK for the Financial Year 2020-21, which is required to be filed on or before 29th June, 2021	Now may be furnished on or before 31st July, 2021 .
11	Uploading of the declarations received from recipients in Form No. 15G/15H during the quarter ending 30th June, 2021, which is required to be uploaded on or before 15th July, 2021.	Now it may be uploaded by 31st August, 2021 .
12	Exercising of option to withdraw pending application (filed before the erstwhile Income Tax Settlement Commission) under sub-section (1) of Section 245M of the Act in Form No. 34BB, which was required to be exercised on or before 27th June, 2021	It may be exercised on or before 31st July, 2021 .
13	Last date of linkage of Aadhaar with PAN under section 139AA of the Act, which was earlier extended to 30th June, 2021	Further extended to 30th September, 2021 .
14	Last date of payment of amount under Vivad se Vishwas (without additional amount) which was earlier extended to 30th June, 2021	Further extended to 31st August, 2021 .
15	Last date of payment of amount under Vivad se Vishwas (with additional amount)	Further extended to 31st October, 2021 .
16	Time Limit for passing assessment order which was earlier extended to 30th June, 2021	Further extended to 30th September, 2021 .
17	Time Limit for passing penalty order which was earlier extended to 30th June, 2021	Further extended to 30th September, 2021 .
18	Time Limit for processing Equalisation Levy returns which was earlier extended to 30th June, 2021.	Further extended to 30th September, 2021 .

GOODS AND SERVICE TAX

1] Notification issued as per decisions taken in 43rd meeting of GST Council

GST Council in its 43rd meetings held on 28th May 2021 **took several decisions** to provide relief to the taxpayers. CBEC has issued notifications to implement the recommendations of the GST Council as under:

Notification No.	Particulars of relief provided
No. 17/2021 –Central Tax	Extension of due date of Form GSTR-1 for the month of May 2021 from 11th June, 2021 to 26th June, 2021
No. 18/2021 –Central Tax	Turnover based reduction in rate of interest for late filing of GST returns for tax payers
No. 19/2021 –Central Tax	Turnover based waiver / rationalisation of late fee for delayed filing of Form GSTR-3B for specified periods
No. 20/2021 –Central Tax	Turnover based rationalisation of Late fee for delay in filing Form GSTR-1 for the tax period June, 2021 onwards or quarter ending June, 2021 onward
No. 21/2021 –Central Tax	Waiver of late fee for delayed filing of Form GSTR-4 financial year 2021-22 onwards.
No. 22/2021 –Central Tax	Waiver of late fee for delay in furnishing the return in FORM GSTR-7 for the month of June, 2021 onwards
No. 23/2021–Central Tax	Government department and local authority exempted from the requirement of e-invoicing
No. 24/2021 –Central Tax	Extension of due dated for compliances under GST laws falling in the period April to May 2021
No. 25/2021 –Central Tax	Due date for filing Form GSTR-4 for the financial year 2020-2021 extended from 30th April, 2021 to 31st July, 2021
No. 26/2021–Central Tax	Extension of due date for filing FORM ITC-04 for quarter ended March, 2021 to 30.06.2021
No. 27/2021 –Central Tax	The Central Goods and Services Tax (Fifth Amendment) Rules, 2021. Extension of period for authentication of Form GSTR-1 and GSTR-3B through EVC. Cumulative period extended for claiming ITC in respect of invoices or debit notes not been uploaded by the suppliers

Similar notices have been issued for Integrated Tax and Union Territory Tax.

2] CBIC issues notifications amending GST rates on goods and services to implement the recommendations of 43rd meeting of GST Council held on 28th May 2021.

The summary of notifications issued are as under:

Notification No.	Particulars
No. 02/2021 –Central Tax (Rate)	Amendment made to notification No.11/2017-Central Tax (Rate), dated the 28th June, 2017 to notify CGST rates of various services
No. 01/2021 –Union territory Tax (Rate)	Amendment to Notification No. 1/2017-Union territory Tax (Rate), dated the 28th June, 2017 to notify changes in the rate of goods
No. 03/2021-Integrated Tax	Amendment to Notification No. 4/2019-Integrated Tax, dated 30th September, 2019 to prescribe the place of supply of services for supply of maintenance, repair or overhaul service in respect of ships and other vessels, their engines and other components or parts supplied to a person for use in the course or furtherance of business
No. 01/2021–Integrated Tax (Rate)	Amendment to Notification No. 1/2017-Integrated Tax (Rate), dated 28th June, 2017 to notify changes in the rate of goods
No. 02/2021-Union Territory Tax (Rate)	Amendments in the Notification No. 11/2017-Union Territory Tax (Rate) to notify CGST rates of various services
No. 03/2021 –Central Tax (Rate)	Amendment to the Notification No. 06/2019-Central Tax (Rate), dated the 29th March, 2019 related to issuance of completion certificate by developer/promoter
No. 01/2021 –Central Tax (Rate)	Amendment to Notification No. 1/2017-Central Tax (Rate), dated 28th June 2017 to notify change in GST rates
No. 03/2021-Union Territory Tax (Rate)	Amendment to Notification No. 06/2019-Union Territory Tax (Rate), dated the 29th March, 2019 related to issuance of completion certificate by developer/promoter
No. 02/2021–Integrated Tax (Rate)	Amendment to notification No. 08/2017-Integrated Tax (Rate), dated the 28th June, 2017 to notify CGST

	rates of various services from the 2nd day of June, 2021
No. 03/2021-Integrated Tax (Rate)	Amendment to Notification No. 06/2019-Integrated Tax (Rate), dated the 29th March, 2019 related to issuance of completion certificate by developer/promoter

3] New functionalities to be deployed on GST Portal-Negative liability statement, downloading Form GSTR-4A & HSN in Excel Format

In order to provide a smooth and hassle free experience to the taxpayers and simplify the process for them, to comply with their GST compliances, the GSTN has decided to deploy following new functionalities on the portal:

Module	Form/ Functionality	Functionality released/ to be released for Taxpayers
Ledgers	Negative liability statement made available to composition taxpayers	<ul style="list-style-type: none"> •In case of a negative liability in any tax period of a composition taxpayer (and if no amount is required to be paid by the taxpayer (during that period)), the said negative liability will be maintained in Negative liability statement. This negative balance lying in the negative liability statement will be automatically adjusted against the liabilities of subsequent tax period(s). •The statement would be accessible to them, post-login, by navigating to Services > Ledgers > Negative Liability Statement.
Returns	Download of Form GSTR-4A in excel and auto-population of its details in Form GSTR-4 of the composition taxpayer	<ul style="list-style-type: none"> •Form GSTR-4A is an auto-drafted statement generated for Taxpayers opting for Composition levy, containing details reported by their registered suppliers in their Form GSTR-1/ GSTR-5 and by their TDS deductors in their Form GSTR-7. •A facility to download the details of Form GSTR-4A, in an Excel file would be made available to the taxpayers, soon. •This Excel file would contain consolidated summary of the supplies at GSTIN level, for the complete financial year, which are required to be reported in Annual Return filed by them in Form GSTR-4.

		<ul style="list-style-type: none"> •This summary will also be auto-populated in Table 4A and 4B of their Form GSTR-4.
Front Office	Inclusion of common names in the HSN Directory and its download in excel format by the taxpayers	<ul style="list-style-type: none"> •The currently available HSN Master has been updated on the GST Portal and it now includes product names commonly used in Trade corresponding to a particular HSN code. •A download facility for the entire HSN directory in Excel Format has also been provided to the taxpayers under the link “Download HSN in Excel Format”. This facility is available as a part of the ‘Search HSN’ functionality, available

[12th June 2021]

COMPANY LAW

1] Clarification on passing of ordinary and special resolution by companies under the companies Act 2013 on account of COVID-19. Extension of time – regarding

In continuation of this Ministry’s General Circulars No.14/2020 dated 8th April 2020, No 17/2020 dated 13th April 2020, No 22/2020 dated 15/6/2020, No 33/2020 dated 28-9-2020 and No.39/2020 dated 31.12.2020 after due examination, it has been decided to allow all companies to conduct their EGMs through VC or OAVM or transact through postal ballot in accordance with the frame work provided in the afore said circular up to 31st December, 2021. All other requirements provided in the said circular shall remain unchanged.

[MCA. General Circular Dated 23-6-2021]

RERA

1] Declaration about the Commencement Certification

In order to provide information about the stage approvals and more transparent information to flat buyers, Maharashtra authorities have prescribed standardized format for Declaration about Commencement Certificate.

The declaration format will be called Format D and the promoter will be required to upload it while registering the project, alongside Commencement Certificate. The

promoter will be required to update it as soon as commencement certificates are obtained by him at later stage

(MahaRERA Circular No. 32/2021 dated 07/06/2021)

*“What you do has far greater impact than what you say”-
Stephen Covey*

COMPLIANCE CALENDAR FOR JULY 2021

Due Date	Particulars
	INCOME TAX
7	TDS/TCS Deposit - for the month of June 2021
7	TDS Deposit for April 21 to June 21 when AO has permitted quarterly deposit u/s 192, 194A, 194D, 194H
15	Issue of TDS Certificate for tax deducted u/s 194IA/IB/N in June 2021
15	Quarterly statement of TCS deposited for the quarter ending June 2021
15	Uploading of Form 15G/15H received during quarter ending June 2021
30	Quarterly TCS Certificate in respect of tax collected for quarter ended June 2021
30	Furnishing of Challan cum Statement for tax deducted u/s 194IA/IB/N in June 2021
31	Quarterly statement of TDS deposited for the quarter ending June 2021
	PF/ESI
15	PF Contribution – June month
15	ESI Contribution- June month
25	PF return filing for June month
	MVAT
21	Due date for furnishing Monthly Return & Payment
	GOODS & SERVICE TAX
10	GSTR 7 for June 2021
10	GSTR 8 for June 2021
11	GSTR 1 for June 2021-Monthly
13	GSTR 6 for June 2021
13	Reporting outward supplies of June 2021-in IFF – QRMP Scheme
18	CMP -08- April to June 2021
20	GSTR 3B – June 2021-Monthly
20	GSTR 5 for June 2021
20	GSTR 5A for June 2021
25	ITC -04- April to June 2021
31	GSTR 4 for FY 2020-2021