

SKJ iCAN

Newsletter

September 2021

DEAR READERS:

Greetings!!!

The Reserve Bank of India, last month in its monetary policy review, kept its policy rates and stance unchanged. The RBI kept the growth forecast unchanged at 9.5 percent and said gradual opening up of the economy, as well as good monsoon, will give boost for pickup in economic activities. The RBI now expects, inflation at 5.9% in 2nd quarter, 5.3 % in 3rd quarter & 5.8% in the fourth quarter of FY 21-22.

At present, all the tax payers are facing difficulties in filing Income Tax returns and other technical glitches in functioning of the income tax portal. On this background, recently Finance Ministry had a meeting with Infosys CEO and the officials over the continuing glitches in the new tax filing portal. Infosys, to whom the contract was awarded to develop the income portal, said by 15th September 2021, they will ensure a glitch free experience to the tax payers. As of now, the tax payers who are not subject to audit, need to file their income tax return by 30th September 2021. We will update you all on update from CBDT regarding extension if any provided

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

Stay Safe and healthy!!!

Jai Hind

With Warm Regards

Team **SKJ iCAN**

“The easiest way to make ourselves happy is to see that others are happy”- Swami Vivekananda

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COMPLIANCE CALENDAR FOR SEPTEMBER 2021



Due Date for filing Income Tax Returns (Non Audit) - 30th September 2021

INCOME TAX

1] CBDT Extends time lines for electronic filing of various Forms under the Income-tax Act, 1961

In view of difficulties reported by the taxpayers and other stakeholders in electronic filing of certain Forms and considering the non-availability of the utility for e-filing of certain Forms, Central Board of Direct Taxes (CBDT) has decided to further extend the due dates for electronic filing of certain forms:

Sr No.	Nature of Extension	Due Date	Extended Due Date by Circular No. 12/2021 Dated: 25 th June 2021	Extended Due Date by Circular No. 15/2021 Dated: 3 rd August, 2021
1	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	15.07.2021	31.07.2021	31.08.2021
2	The Equalization Levy Statement in Form No.1 for the Financial Year 2020- 21	30.06.2021	31.07.2021	31.08.2021
3	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	15.06.2021	15.07.2021	15.09.2021
4	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	30.06.2021	31.07.2021	30.09.2021
5	Intimation to be made by a Pension Fund in respect of each investment made by it in India in Form No. 10BBB for the quarter ending on 30th June,2021	31.07.2021	NA	30.09.2021

6	Intimation to be made by Sovereign Wealth Fund in respect of investments made by it in India in Form II SWF for the quarter ending on 30th June, 2021	31.07.2021	NA	30.09.2021
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[Source- Circular No.15/2021 [F .NO.225/49/2021/ITA-II], Dated 3-8-2021]

2] CBDT notifies new Rules 21AI, 21AJ & New Form No. 10IG & 10IH

The CBDT has notified a new set of rules to amend the existing Income-tax Rules, 1962 which shall come into force as on the date of its publication in the Official Gazette. The aim of this amendment is to insert two new rules after rule 21AH and two new forms after Form No.10IF, namely:

- 21AI. Computation of exempt income of specified fund for the purposes of clause (4D) of section 10
- 21AJ. Determination of income of a specified fund attributable to units held by non-residents under sub-section (1A) of section 115AD

New Forms as introduced by Income tax Amendment (22nd Amendment), Rules, 2021

Form No. 10IG. Statement of Exempt income under clause (4D) of section 10 of the Income-tax Act, 1961

Form No. 10IH. Statement of income of a Specified fund eligible for concessional taxation under section 115AD of the Income-tax Act, 1961.

[Source- NOTIFICATION NO. G.S.R. 545(E) [NO. 90/2021/ F. NO. 370142/20/2021-TPL], DATED 9-8-2021]

3] CBDT issues SOP FOR PENALTIES UNDER FACELESS PENALTY SCHEME, 2021

The National Faceless Assessment Centre, Delhi has issued CBDT approved Standard Operating Procedure (“**SOP**”) for completing the penalties under the Faceless Penalty Scheme (“**FPS**”) 2021.

[Source- LETTER F.NO. AA (NAFAC)-1/2021-22/439, DATED 9-8-2021]

4] INSERTION OF RULE 10RB AND FORM NO. 3CEEA

CBDT has provided a relief in tax payable under sub-section (1) of section 115JB through operation of subsection (2D) of section 115JB.

In this regard, CBDT has inserted the new Rule 10RB. The Assessee Company shall make a claim for relief under sub-section (2D) of section 115JB in Form No. 3CEEA electronically by uploading signed printout of said Form in the manner specified by the Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems), as the case may be.

[Source- NOTIFICATION NO. G.S.R. 551(E) [NO. 92/2021/F. NO.370142/21/2021-TPL (PART)], DATED 10-8-2021]

5] CBDT establishes Interim Boards for Settlement

CBDT establishes 7 Interim Boards for Settlement Headquartered at Delhi, Kolkata, Mumbai and Chennai. Attached below is the schedule:-

Sl. No.	Interim Board for Settlement	Headquarters
1.	Interim Board for Settlement-I	Delhi
2.	Interim Board for Settlement-II	Delhi
3.	Interim Board for Settlement-III	Delhi
4.	Interim Board for Settlement-IV	Kolkata
5.	Interim Board for Settlement-V	Mumbai
6.	Interim Board for Settlement-VI	Mumbai
7.	Interim Board for Settlement-VII	Chennai

[Source- NOTIFICATION S.O. 3216 (E) [NO. 91/2021/F.NO. 370142/33/2021-TPL], DATED 10-8-2021]

GOODS AND SERVICE TAX

1] Provisions abolishing GST audit and self-certified reconciliation statement applicable from 1st August 2021

S.O. (E). -In exercise of the powers conferred by clause (b) of sub-section (2) of section 1 of the **Finance Act, 2021** (13 of 2021), the Central Government hereby appoints

the 1st day of August, 2021, as the date on which the provisions of sections 110 and 111 of the said Act shall come into force.

[Notification No. 29/2021–Central Tax New Delhi, the 30th July, 2021]

2] Amendment to Rule 80 of CGST Rules regarding exemption from GSTR-9C to taxpayers having Annual Aggregate Turnover up to Rs. 5 crores

CBIC vide Notification No. 30/2021–Central Tax dated 30th July, 2021 has notified the Central Goods and Services Tax (Sixth Amendment) Rules, 2021 with effect from 1st day of August, 2021.

As per the amendment, Annual Return of GST shall be furnished for every financial year electronically in **FORM GSTR-9 or GSTR-9A** as the case may be, on or before the thirty-first day of December following the end of such financial year through the common portal. They shall also shall furnish a self-certified reconciliation statement as specified under section 44 in **FORM GSTR-9C**.

Every electronic commerce operator required to collect tax at source under section 52 shall furnish annual statement in **FORM GSTR -9B**.

[Notification No. 30/2021 – Central Tax dated 30th July, 2021]

3] Exemption from filing GST annual return for FY 2020-21 to taxpayers having turnover up to Rs. 2 crores

Vide **Notification No. 31/2021-Central Tax Dated:** 30th July, 2021 CBIC exempts the registered person whose aggregate turnover in the financial year 2020-21 is up to two crore rupees, from filing annual GST return for the said financial year. This would ease compliance requirement of furnishing reconciliation statement in FORM GSTR-9C, as taxpayers would now be able to self-certify reconciliation statement, instead of getting it certified by a chartered accountants. This change will apply for Annual Return for FY 2020-21.

This notification shall come into force from the 1st day of August, 2021.

[Notification No. 31/2021–Central Tax dated 30th July, 2021]

4] HSN and GSTR-1 Filing errors and their resolution- GSTN Advisory

In accordance with **Notification No. 78/2020 – Central Tax, dated October 15, 2020**, taxpayers have to declare Harmonised System of Nomenclature (HSN) Code of Goods and Services supplied by them on raising of tax invoices, with effect from 1st April, 2021 on the below mentioned lines.

S.No	Aggregate Turnover in the preceding Financial Year	Number of Digits of HSN Code to be reported in GSTR-1
1	Upto Rs. 5 crores	4
2	Above Rs. 5 crores	6

According to GSTN, it has been reported by few taxpayers that HSN used by them for reporting in GSTR-1 is not available in the table 12 HSN drop-down. They have further stated that they are facing issues in adding the required HSN details in table -12 and filing of statement of outward supplies in form GSTR-1 of July 2021. Further, in some JSON files, the HSN field is coming as blank from the offline tool, along with other errors as mentioned below:-

- (a) Processed with Error,
- (b) In Progress or Received but pending
- (c) Duplicate Invoice Number found in payload, please correct

To view the detailed advisory on the action to be taken by the taxpayers to resolve above issues, click on: <https://tutorial.gst.gov.in/downloads/news/advisoryonhsnandgstr1.pdf>

[August 27th 2021]

5] Implementation of Rule-59(6) on GST Portal from 01.09.2021 for blocking of furnishing of FORM GSTR-1

Rule-59(6) of CGST Rules, 2017 was inserted vide **Notification No. 1/2021 dated 1st January 2021**, provides for blocking of furnishing of **FORM GSTR-1** and invoice facility if GSTR-3B not filed as under:

(a) a registered person shall not be allowed to furnish the details of outward supplies of goods or services or both under section 37 in **FORM GSTR-1**, if he has not furnished the return in **FORM GSTR-3B** for preceding two months;

(b) a registered person, required to furnish return for every quarter under the proviso to sub-section (1) of section 39, shall not be allowed to furnish the details of outward supplies of goods or services or both under section 37 in **FORM GSTR-1** or using the invoice furnishing facility, if he has not furnished the return in **FORM GSTR-3B** for preceding tax period;

This Rule will be implemented on GST Portal from 1st September, 2021. On implementation of the said Rule, the system will check that whether before the filing of GSTR-1/IFF of a tax-period, the following has been filed or not:

- (a) GSTR-3B for the previous two monthly tax-periods (for monthly filers),

OR

(b) GSTR-3B for the previous quarterly tax period (for quarterly filers), as the case may be. The system will restrict filing of GSTR-1/IFF till Rule-59(6) is complied with.

This check will operate on clicking the SUBMIT button of GSTR-1 and the system will give an error message if the condition of Rule-59(6) is not met. It may be noted that records which have been saved in GSTR-1 will remain saved and filing of such records will be permitted after Rule-59(6) is complied with.

Implementation of Rule-59(6) on the GST Portal will be completely automated, similar to the blocking & un-blocking of e-way bill as per Rule-138E and facility for filing of GSTR-1 will be restored immediately after filing of relevant GSTR-3B. No separate approval would be needed from the tax-officer to restore the facility for filing of GSTR-1.

To ensure no disruption in filing GSTR-1/IFF, taxpayers who have not filed their pending GSTR-3B, especially from period November 2020 and afterwards may do so at the earliest.

[August 27th 2021]

RERA

1] MahaRERA grants extension of Projects registration by 6 months w.e.f. 15.4.2021

MahaRERA authorities considering second wave of COVID 19 pandemic and representation received, extended the project registration period by 6 months for the projects where completion dates, revised completion date or extended completion date expires on or after 15th April 2021

[Circular No. 21/2021 dated 6th August 2021]

COMPANY LAW

1] MCA exempts foreign companies incorporated outside from provisions of section 387 to 392

S.O.3156 (E) In exercise of the powers conferred by section 393A of the Companies Act, 2013 (18 of 2013), the Central Government hereby exempts, from the provisions of sections 387 to 392 (both inclusive), the following:-

(a) Foreign companies;

(b) Companies incorporated or to be incorporated outside India, whether the company has or has not established, or when formed may or may not establish, a place of business in India,

In so far as they relate to the offering for subscription in the securities, requirements related to the prospectus, and all matters incidental thereto in the International Financial Services Centers set up under section 18 of the Special Economic Zones Act, 2005 (28 of 2005).

[MCA Notification dated 5th August 2021]

“When an idea exclusively occupies the mind, it is transformed into an actual physical or mental state”- Swami Vivekananda

COMPLIANCE CALENDAR FOR SEPTEMBER 2021

Due Date	Particulars
	INCOME TAX
7	TDS/TCS Deposit - for the month of August 2021
14	Issue of TDS Certificate for tax deducted u/s 194IA/IB/N in July 2021
15	2 nd instalment of advance tax for the AY 2022-23
30	Furnishing of Challan cum Statement for tax deducted u/s 194IA/IB/N in August 21.
30	Income Tax Return for AY 21-22 all assessee other than those required to get their accounts audited or file report under IT Act
30	Linking of Aadhaar number with PAN.
	PF/ESI
15	PF Contribution – August month
15	ESI Contribution- August month
25	PF return filing for August month
	MVAT
21	Due date for furnishing Monthly Return & Payment- August 2021
	GOODS & SERVICE TAX
10	GSTR-7 for August 21
10	GSTR-8 for August 2021.
11	GSTR 1 for August 2021 - Monthly
13	Reporting of Outward Supplies in IFF- QRMP Scheme- August 2021
13	GSTR 6 for August 2021.
20	GSTR 3B for August 2021- Monthly
20	GSTR 5 & 5A -Non-resident taxable person for August 2021.
25	Deposit of GST in Form PMT-06 for August 2021 who opted for QRMP Scheme