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June 2021



LAUNCH OF NEW INCOME TAX PORTAL



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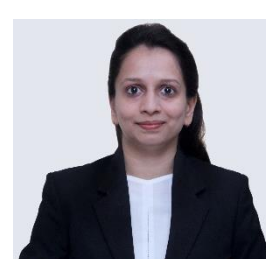
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EDITORIAL

COVID Wave 2.0 whew! In this era of technology, we have seen mobile phones, software, etc. upgrade to a newer version. Little did we anticipate that this virus will also follow similar trend. Even before we could assess the extent of the damage caused due to the onslaught of an invisible, unknown and brutal virus, news reports now emerge that we should be gear up for Wave 3.0 and onwards. Helpless health infrastructure had added fuel to fire; access to extremely basic human needs has become a challenge; no beds, no oxygen, no mobility.

We have already experienced the Wave 2 which is presently at our doorstep and the life has once again forced us to reinvent and restate for those who have not learned from the first Wave some necessary home truths. New ways of operations are the new normal. Conventional companies/industries that did not prepare for the digital world have collapsed like a deck of cards. A common factor in undertakings that have not only managed to survive, but to flourish during the pandemic is due to the fact that they embraced technology and improvised. In these tough times, the name of the game is technology.

The second wave of pandemic has unleashed its fury across the country causing unprecedented damage to the health infrastructure and bringing the economic activity to a standstill in states wherein lockdown is imposed. As a response, the immediate need of the hour was for the CBDT to take immediate action to protect the interest of the taxpayers/revenue and accordingly they have extended the various due dates for passing of assessment orders, filling of an appeals etc.

GST is breaking its own records Month on Month; April recorded the highest ever GST Collections of 1.4 lakh crores, however the impact of Covid reflected in the figures of May, which are almost less by 30% as compared to April 2021.



The Ministry of Corporate Affairs (MCA) vide its circular dated 03rd May 2021 has provided additional time up to 31st July 2021 for Companies/LLPs to file such forms (other than CHG-1, CHG-4 and CHG-9) which were/ would be due for filing from 01st April 2021 to 31st May 2021, without payment of any additional fees. Further the MCA has also relaxed the requirement of Section 173(1) of the Companies Act, 2013. The requirement of holding Board Meetings of the companies within the interval of 120 days as provided in section 173(1) of the Act shall stand extended by 60 days for first two quarters of the Financial Year 2021-22. Accordingly, the gap between two consecutive meetings of the Board may extend to 180 days during the quarter-April to June 2021 and quarter July to September 2021, instead of 120 days as required in the Companies Act, 2013.

Lockdown has presented us with one more opportunity to listen carefully, take a pause, think thoroughly, interpret the developments, happening around and proceed in the new/right direction. So, to conclude, Positive attitude, building own body immunity with the right course of home fitness and diet and strong belief in saying ‘this too shall pass.....’ is the way forward.

I rest my case on Jimmy Dean’ quote ‘I can’t change the direction of the wind, but I can adjust my sails to always reach my destination.’

Take care stay healthy, stay safe and keep up a cheerful demeanor.

With Warm Regards,



CA. Suhas P. Bora



KEY FEATURES OF NEW INCOME TAX PORTAL

The Income Tax Department is going to launch its new e-filing portal www.incometax.gov.in on 7th June, 2021. The new e-filing portal (www.incometax.gov.in) is aimed at providing taxpayer convenience and a modern, seamless experience to taxpayers:

- New taxpayer friendly portal integrated with immediate processing of Income Tax Returns (ITRs) to issue quick refunds to taxpayers;
- All interactions and uploads or pending actions will be displayed on a single dashboard for follow-up action by taxpayer;
- Free of cost ITR preparation software available online and offline with interactive questions to help taxpayers fill ITR even without any tax knowledge, with prefilling, for minimizing data entry effort;
- New call center for taxpayer assistance for immediate answers to taxpayer queries with FAQs, Tutorials, Videos and chatbot/live agent;
- All key portal functions on desktop will be available on Mobile App which will be enabled subsequently for full anytime access on mobile network;
- New online tax payment system on new portal will be enabled subsequently with multiple new payment options using netbanking, UPI, Credit Card and RTGS/NEFT from any account of taxpayer in any bank, for easy payment of taxes.



**ANAYSIS OF SECTION 194Q AND 206C(1H) OF THE
 INCOME TAX ACT, 1961.**

Sr. No.	Particulars	194Q	206C(1H)
1.	Provision of the Income Tax Act, 1961.	<i>“Any person, being a buyer who is responsible for paying any sum to any resident (hereafter in this section referred to as the seller) for purchase of any goods of the value or aggregate of such value exceeding fifty lakh rupees in any previous year, shall, at the time of credit of such sum to the account of the seller or at the time of payment thereof by any mode, whichever is earlier, deduct an amount equal to 0.1 per cent. of such sum exceeding fifty lakh rupees as income-tax.”</i>	<i>“Every person, being a seller, who receives any amount as consideration for sale of any goods of the value or aggregate of such value exceeding fifty lakh rupees in any previous year, other than the goods being exported out of India or goods covered in sub-section (1) or sub-section (1F) or sub-section (1G) shall, at the time of receipt of such amount, collect from the buyer, a sum equal to 0.1 per cent of the sale consideration exceeding fifty lakh rupees as income-tax”</i>
2.	Applicability	If the turnover of the Buyer is more than 10 Crore in Previous FY.	If the turnover of the Seller is more than 10 Crore in Previous FY.
3.	w.e.f	1st July, 2021 (P.Y. 2021-2022)	1st October, 2020 (P.Y. 2020-2021)
4.	Limit for Current year	Purchases more than 50 Lakhs.	Sales more than 50 Lakhs.
5.	Residential Status	Resident Seller	Resident Buyer
6.	Timing of tax deduction	Payment or credit whichever is earlier	At the time of receipt
7.	Rates	0.1% on amount exceeding Rs 50 Lakhs	0.1% (0.075% for FY 2020-21) on amount exceeding Rs 50 Lakhs
8.	Rate if PAN not Available	5%	1%
9.	Not applicable to	• Transactions on which TDS is applicable under	Transaction on which TDS/TCS is applicable



		<p>other provisions of the act</p> <ul style="list-style-type: none"> • Transactions on which TCS is applicable under 206C other than 206C(1H) 	<p>under other provisions of the act and the same has been complied with (Meaning thereby; in a situation where TDS has been deducted u/s 194Q this section will not apply</p>
10	Exclusion	<p>The provision of this section shall not apply to a transaction on which-</p> <ul style="list-style-type: none"> • Tax is deductible under any of the provision of the act. • Tax is collectible under the provisions of section 206C, other than a transaction to which sub-section (1H) of Section 206C applies. 	<p>If buyer is –</p> <ul style="list-style-type: none"> • Importer of goods • Centre/State Govt., Local Authority • An embassy, High Commission, consulate and trade representation of a foreign state
11	TAN requirement	YES	YES
12	When to deposit/collect	Tax so deducted shall be deposited with government by 7th day of subsequent month	Tax so collected shall be deposited with government by 7th day of subsequent month
13	From	26Q	27EQ
14	Certificate to be issued to seller/buyer	Form – 16A	Form – 27D
15	Advances received/paid	Tax is required to be deducted at the time of credit of such sum to the account of the seller or at the time of payment thereof by any mode, whichever is earlier.	Sub-section (1H) of section 206C shall apply on all sale considerations (including advance received for sale)


Example-1

Seller's Turnover of Previous FY	Buyer's Turnover of Previous FY	Transaction value during the previous year	Applicability of Section	Taxable Amount
Rs. 8 Cr.	Rs. 11 Cr.	Rs. 52 lakhs	194Q as buyer's turnover is more than Rs. 10 Cr.	0.1% on Rs. 2 lakhs (52 lakhs - 50 lakhs)
Rs. 20 Cr.	Rs. 6 Cr.	Rs. 66 lakhs	206C(1H) as buyer's turnover is less than Rs. 10 Cr. and Seller's Turnover is more than Rs. 10 Cr.	0.1% on Rs. 16 lakhs (66 lakhs - 50 lakhs)
Rs. 20 Cr.	Rs. 18 Cr.	Rs. 55 lakhs	194Q as buyer's turnover is more than Rs. 10 Cr.*	0.1% on Rs. 5 lakhs (55 lakhs - 50 lakhs)
Rs 5 Cr.	Rs 7 Cr.	Rs 58 lakhs	Provision of Both Sections are not applicable.	--
Rs 15 Cr.	Rs 12 Cr.	Rs 45 lakhs	Provision of Both Sections are not applicable.	--

** as provision of section 206C(1H) shall not apply, if the buyer is liable to deduct tax at source under any other provision of this Act on the goods purchased by him from the seller and has deducted such amount.*


Example-2- for Section 206C(1H)

Seller	Turnover of Previous FY	Buyer	Amount received for Sale of Goods up to 30.09.2020	Amount received 01.10.20 to 31.03.2021	TCS Applicability
Mr. A	Rs. 10 Cr	XY Ltd	Rs.30 lakhs	Rs. 40 lakhs	No TCS as seller turnover of last year does not exceed Rs. 10 Cr.
Mr. B	Rs. 12 Cr.	PQ Ltd	Rs. 40 lakhs	Rs. 12 Lakhs	TCS on Rs. 2 lakhs
Mr. BB	Rs. 12 Cr.	Maharashtra Govt.	Rs. 50 Lakhs	Rs. 20 Lakhs	No TCS as buyer is Govt.
AB Ltd	Rs. 15 Cr.	Mr Q.	Rs. 150 lakhs	Rs. 20 lakhs	TCS on Rs. 20 lakhs
Mr. A	Rs. 20 Cr.	Mr. P	Rs. 10 lakhs	Rs. 150 lakhs	TCS on 110 lakhs

Notes-

1. Since section 206C(1H) applies on receipt of sale consideration, the provision of this section shall not apply on any sale consideration received before 01.10.2020. However, it will apply on sale consideration (including advance received for sale) received on or after 01.10.2020 even if sale was carried out before 01.10.2020 during FY 2020-21.
2. TCS shall be collected on the sales value including GST. However, while considering applicability of provisions of both the sections turnover excluding GST is to be considered.
3. The threshold of Rs.50 lakh is for the whole financial year. Thus, if the seller receives any sale consideration for sales transaction from the buyer from 1st April 2020 to 30th September 2020, the



same will be considered for calculating the limit of Rs.50 lakh for that buyer.

4. This provision is made applicable only on the sale of goods. Thus, payments received against the supply of services are not covered under this provision.
5. Section 206C(1H) states that the total turnover of the business shall be considered. So, the sale of services shall also be considered for calculating the threshold limit of Rs.10 crore.

"There are two types of people who will tell you that you cannot make a difference in this world: those who are afraid to try and those who are afraid you will succeed."

-Ray Goforth

"People who succeed have momentum. The more they succeed, the more they want to succeed, and the more they find a way to succeed. Similarly, when someone is failing, the tendency is to get on a downward spiral that can even become a self-fulfilling prophecy."

-Tony Robbins

**ISSUES WHICH AN ORGANISATION MAY FACE DUE TO TDS OR TCS ON SALE OF GOODS UNDER SECTION 194Q/206C(1H)****1. Determining whether to collect TCS or not**

One point of concern which organizations would face is whether to collect TCS on sales or the vendor would deduct TDS. Let's take the case of an organization which has a turnover of more than Rs.10 Crores in the preceding year, then it is clear that it would be required to deduct TDS on all the purchases that it makes. There might be cases that upon payment of invoices the vendors might demand for the value of TCS. This can be sorted by communicating to the vendor that as TDS is being deducted no TCS is required to be collected on the sales value.

2. Double Taxation of same Amount.

The issue would arise in cases where such organizations would raise sales invoices and the vendor would pay the amount without deduction of TDS. In such cases the liability of the seller would be to collect TCS. The collection of such amounts normally becomes a tedious task specially when the amount of transactions are a lot. Subsequently, such customers which were required to deduct TDS but did not deduct might deduct the same at the time of audit which is normally at the close of the year in order to avoid disallowance. This would lead to double taxation on the same amount.

The probable solution to this issue would be that a declaration is taken at the start of the year from the customers whether they would be deducting TDS on the sales invoices being raised by the Company assuming the purchases during the year exceed Rs.50 Lakhs. This might be tedious at the start of the year however it can streamline the entire process during the year.

3. Integration of the processes in ERP's.



This is possibly the issue which concerns the most to the system development teams and is also of utmost importance. It is not possible to manually track whether TDS is being deducted correctly or not or TCS is being collected as per the receipts. Further the possibility to track whether TCS is being collected in cases where TDS is not deducted by the customers is an impossible task in large corporates which have thousands of vendors. In such cases the system is required to be developed in such a way that the entire process is automated by the system. There cannot be a situation where the system collects TCS on receipts and also TDS is deducted by the customers on the same invoices. In such cases the customer would obviously not pay the TCS amounts and this would lead to cash loss to the organization.

The probable solution for this can be that the system can be developed in such a manner that the organizations can configure at the start of the year by taking declarations whether TDS would be deducted by the customers or not. Once the declaration is received the same can be uploaded in the system and there can be a check point stating TCS or TDS to apply. As the specific key is applied the other would automatically get disabled and the system would not charge the specified tax on the customers. Obviously, this would be faced by the issue of customer's not reverting back with such declarations and obtaining the declarations and configuring the same in the system becomes a daunting task. This may be overcome, by obtaining the clarification once the purchase orders are received from such customers, however this entire process might come with additional manpower costs in huge organizations.

4. Cases where Advances are taken and invoices are raised post 01-07-2021

Now, there are multiple industries particularly the engineering business or metal suppliers who execute the sale only upon



receipt of a certain portion of the sales value as advance. Let us take an example of a case where an advance of Rs.60 lakhs has been received for a sale transaction. Now the Assessee would have grossed up the TCS value and paid the same to be government. Now when the Company raises the sales invoice post 01-07-2021 say of Rs. 200 Lakhs the buyer of the goods would be required to deduct TDS on the entire value of the purchase being Rs.200 lakhs. This would lead to overlapping of taxes on Rs.60 lakhs being the advance value. However, this might not be a significant value considering the rate of 0.1%.

5. Reconciliation with Vendors / Customers.

Under the existing TDS provisions the reconciliations are a difficult and tedious task specifically in service industry where the TDS statements run into hundreds of pages and long excel sheets are maintained by the organizations for the reconciliations. Some organizations have also obtained software's for the process. Further with the provision of TCS on sale of goods being introduced this task became more difficult with reconciliation of both TDS and TDS being required.

Now with the introduction of this new Section reconciliations would be required for the normal provisions of TDS i.e. Section 194A to 194LC which was already being carried out by service industries. However the manufacturing concerns which were earlier relived from such reconciliations would also be required to reconcile, reconciliations would not only include that of their sales where the TDS has been deducted or TCS has been collected but also in cases where the TDS is deducted by the Company. There can be cases where the TDS is deducted by the customers on the sales made by the Company and also TCS is required to be collected on the sales made by the Company where the buyer of the Goods does not deduct TDS. In such cases the reconciliation would be possibly required for the entire sales made by the Company. One can just imagine the volumes of such transactions for large corporate houses of our country.



Further, the same Company would be deducting TDS on the purchases being made by it and it might be required to furnish reconciliations of the same to its vendors. The task of such reconciliations is going to become a huge daunting task for the Companies and with no proper checks and controls in place it might lead of potential cash losses for the Companies.

6. Additional cost of Manpower.

This no doubt is a huge and very difficult task however reconciliations can be made on quarterly basis and there are multiple software's which are now available in the market which automate the entire process. However certain level of human intervention would be required. This entire process might require companies to hire additional manpower for the reconciliation process. We are already seeing this in the service industry which might be required in the manufacturing concerns as well.

7. Issue of Additions in Income Tax Assessment and increase in Litigation and raising of huge demand .

If the assessee do not reconcile the receipts as per for Form 26AS and with his books of accounts, huge additions will be made in the assessment under income tax Act which will increase the litigation and harassment to the businessman.

8. Provision of having TDS and TCS as per these provisions on the amount of invoice which includes GST, will have cascading impact of tax on the dealer and affecting his cash flow.



GST

GIST OF GST NOTIFICATIONS

NOTIFICATION NO.	DATE	SUBJECT	HIGHLIGHTS
27/2021-Central Tax	01-06-2021	Cumulative application of rule 36(4) extended to June 21 as well. Date of reporting outward supplies using IFF also extended.	Cumulative application of rule 36(4) is now applicable to April, May and June 21. Date of reporting outward supplies using IFF also extended to 28th June 21
26/2021-Central Tax	01-06-2021	ITC 04 due date for quarter ended Mar 21 is further extended to 31.07.2021	Due date for filing ITC 04 for quarter ended Mar 21 is further extended to 31.07.2021
25/2021-Central Tax	01-06-2021	GSTR-4 due date for financial year 2020-21 is further extended to 31.07.2021	Due date for filing GSTR-4 for FY 2020-21 is further extended to 31.07.2021
24/2021-Central Tax	01-06-2021	“Time limit for completion of various actions, by any authority or by any person, under the GST Act as per section 168A, which falls during the period from 15th April, 2021 to 29th June, 2021, to be extended up to 30th June, 2021, subject to some exceptions.	Relaxations under section 168A of the CGST Act: Time limit for completion of various actions, by any authority or by any person, under the GST Act, which falls during the period from 15th April, 2021 to 29th June, 2021, to be extended up to 30th June, 2021, subject to some exceptions



NOTIFICATION NO.	DATE	SUBJECT	HIGHLIGHTS
23/2021-Central Tax	01-06-2021	Government departments and local authorities are exempted from generating e-invoices	Government departments and local authorities are further exempted from generating e-invoices
22/2021-Central Tax	01-06-2021	Notified rationalization of late fee for delay in furnishing GSTR-7	Amount of Late fees applicable for delay in filing GSTR 7 from the month of June 21 is revised
21/2021-Central Tax	01-06-2021	Notified rationalization of late fee for delay in furnishing GSTR-4	Maximum late fees applicable for delay in filing GSTR 4 from FY 2020-21 is revised
20/2021-Central Tax	01-06-2021	Notified rationalization of late fee for delay in furnishing GSTR-1	In case of delay in filing GSTR 1 of upcoming tax periods, burden of late fees on small taxpayers is being rationalized basis the tax liability/turnover of the taxpayers
19/2021-Central Tax	01-06-2021	Notified rationalization of late fee applicable on GSTR-3B; provides conditional waiver of late fee applicable on GSTR-3B from July, 2017 to April, 2021; and provides waiver of late fees for late filing of return in GSTR-3B for specified taxpayers and specified tax periods	For tax period Jul 17 to Apr 21 conditional waiver of late fees announced, for tax period Mar 21 to May 21 waiver for specified period announced and late fees rationalization announced on prospective GSTR 3B filing



NOTIFICATION NO.	DATE	SUBJECT	HIGHLIGHTS
18/2021-Central Tax	01-06-2021	Relief provided by lowering of interest rate for a specified time for tax periods March, 2021 to May, 2021	Interest rate relaxed to some extent in case of delay in filing GSTR 3B for specified time for tax period March 21 to May 21
17/2021-Central Tax	01-06-2021	Due date of filing GSTR 1 is extended for the month of May 21 by 15 days	Due date of filing GSTR 1 for the month of April 2021 and May 2021 is extended to 26th May 2021 and 26th June 2021 respectively
16/2021-Central Tax	01-06-2021	Notification 16/2021 seeks to appoint 01st June 2021 as the day from which the provisions of section 112 of Finance Act, 2021, relating to amendment of section 50 of the CGST Act, 2017 shall come into force	W.e.f. 1st June 2021 interest on delayed payments is chargeable on net tax liability i.e. on amount of the tax paid in cash.
15/2021-Central Tax	18-05-2021	Seeks to make fourth amendment (2021) to CGST Rules, 2017.	Fourth amendment rules 2021 introduced to amend refund rules notified in CGST 2017 rules and has also inserted new Form RFD-01W i.e. refund withdrawal application
14/2021-Central Tax	01-05-2021	Extension notified for specified compliances falling between 15th Apr 21 to 30th May 21 till 31st May 21 in exercise of powers under section 168A of CGST Act	Timeline for all other proceedings, asset order etc. whose last date of completion falls between 15th April to 30th May is extended to 31st May



GST UPDATES

1. Generation Of Form GSTR-2B:

On extension of the GSTR-1 filing by the 15 days, So FORM GSTR-2B shall be available only after last cut-off date i.e., 28/05/2021 – April 2021 GSTR-1 filing date, Cut off dates for GSTR 2B for the month of Apr 2021.

Supplier form Type	Criteria
Normal Tax payers filing at monthly frequency	All GSTR 1/IFF filed between 12/04/21 to 26/05/21
Normal Tax payers filing at monthly frequency	All GSTR 1/IFF filed between 14/04/21 to 28/05/21
Input Service Distributor	All GSTR 6 filed between 14/04/21 to 28/05/21
Import from SEZ	All Import data received for the tax period by the cut-off date 28/05/21

2. Relaxations Regarding expiry of validity of LoAs, approvals or permissions in view of COVID-19 for SEZ industry:

The Department of Commerce (SEZ Section) issued Instructions vide No. K43022/7/2020-SEZ dated May 07, 2021 for pending compliances, expiry of validity of LoAs, approvals or permissions in the current lockdown in view of COVID-19.

Such compliances to which the relaxations will apply, include:

- Requirement to file Quarterly Progress Report (QPR) attested by Independent Chartered Engineers by Developers/ Co-developers.
- SOFTEX form to be filed by IT/ITES units.
- Filing of Annual Performance Reports (APR) by SEZ units.
- Extension of Letter of Approvals (LoA) which may expire, in the cases of:
 - Developers/co-developers who are in the process of developing and operationalizing the SEZ.



- Units which are likely to complete their 5 year block for NFE assessment.
- Units which are yet to commence operations.

Ad-hoc interim extension/deferment of the expiry date may be granted without prejudice till 30.06.2021 or further instructions of the Department on the matter, whichever is earlier.

3. Updation Of GST Portal:

- GSTN has changed the format for the GSTR-3B PDF preview and download.
- It has the following additional information:
 - 1) ARN details
 - 2) Authorized signatory details
 - 3) Breakup for the ITC eligible.

4. CBIC issues Guidelines for Expeditious Customs Clearance of Import of COVID-19 related Equipment's or Medicaments through Courier:

The Board notified that the documents required for the expeditious customs clearance of Import through Courier are:

- Air Way Bill,
- Commercial Invoice,
- KYC Documentation, and
- a packing list with the description of the goods

5. CBIC notifies Ad hoc Exemption from IGST on Imports of specified COVID-19 relief material Donated from Abroad:

The CBIC has notified certain conditions on the IGST Exemption on imports of specified COVID-19 relief material donated from abroad.

1. State Government shall appoint a nodal authority in the State for the purpose of this exemption. As per section 2 (103) of the Central Goods and Services Tax Act, 2017, states include a Union territory with Legislature.



2. Secondly, The Nodal authority so appointed shall authorize any entity, relief agency or statutory body, for free distribution of such Covid-relief material.
3. The said goods can be imported free of cost by a State Government or, any entity/ relief agency/ statutory body, authorized in this regard for free distribution anywhere in India.
4. The importer shall before clearance of goods from Customs produce a certificate from the said nodal authorities that goods are meant for free distribution for Covid relief.
5. Imports, the importer shall produce, to the Deputy or Assistant Commissioner of Customs at the port within a period of six months from the date of importation or within such extended period not exceeding nine months, a simple statement containing details of goods imported and distributed free of cost.

6. ITC Reconciliation Of Apr-21 For GSTR-3B:

On extension of the GSTR-1 filing by the 15 days, So FORM GSTR-2B shall be available only after last cut-off date i.e., 29/05/2021.

As per amendment to Rule 36(4) of CGST Rules 2017 ITC reconciliation with 2B for the month of April 21 can be done cumulatively with May 2021. In other words ITC for April can be claimed without reconciliation with 2B.

7. GSTN extends due date of filing Revocation Application of Cancellation:

The GSTN notified the extension of the due date of filing the Revocation application of Cancellation from 90 days to 180 days which will be valid up to 15th June 2021 the CBIC notified. The tax official may have cancelled a taxpayer's GST registration by initiating suo moto proceedings. The aggrieved taxpayer can apply for revocation or restoration of such GST registration cancelled by visiting the GST portal and the timeline for filing such application has been extended to 180 days which will be valid up to 15th June 2021.

**8. GST Refund Status: The Steps to Track your Application even without logging into GST Portal:**

One can track his refund application without logging into the GST Portal only through ARN. GST refund application can be tracked by Navigating to Services then click on “Track Application Status”, Select the Refund option, Enter ARN, Click SEARCH to track

One’s refund application without logging into the GST Portal. Here one is not bale to Tax Period and Tax Amount Claimed, which can be viewed when one view the status of the refund application after logging into the GST Portal

9. DGFT: Change in Import policy of pulses with effect from 15th May 2021:

DGFT has issued notification for change in import policy for the import of Tur, Moong & Urad dal can freely imported for the period 15th may-2021 to 31st October-2021.This Tur, Moong & Urad dal has been transferred from restricted group to free import group. Further it has been clarified that bill of lading of the on or before 31st October-2021, it must be cleared before 30th November-2021.

10. CBIC issued Notification No. 15/2021-Central Tax, dated 18.05.2021 to amend CGST Rules, 2021:

- Rule 23 and FORM GST REG-21, that deals with revocation of cancellation of registration, so as to allow the registered person to file application in FORM GST REG-21, within such extended period by the Additional Commissioner or Joint Commissioner or the Commissioner.
- Proviso under Rule 90(3): Time period from the date of filing of the refund till the date of communication of the deficiencies in FORM GST RFD-03, is to be excluded from the period of 2 years.
- Rule 90(4) Allowed registered person to withdraw the application of refund claim, by filing application in FORM GST RFD-01W before issuance of RFD-04 or RFD-06 or RFD-05 or RFD07 or RFD-08.



- Rule 90(5) On submission of application in FORM GST RFD-01W, any amount debited from electronic credit ledger or electronic cash ledger, shall be credited back to the ledger from which such debit was made.
- The proper officer shall pass an order in 'Part A' instead of 'Part B' of FORM GST RFD-07 the reasons for withholding the refund.
- New proviso to Rule 92(2): passing of an order for release of withheld refund in Part B of FORM GST RFD-07.
- Rule 96(6): passing of an order in 'Part A' instead of 'Part B' of FORM GST RFD-07, upon transmission of the intimation for withholding refund.
- Amended Rule 96(7): Now, the jurisdictional officer, shall issue order in RFD-06 after issuing Part B of FORM GST RFD-07.
- Amended Rule 138E: In PART A of FORM GST EWB-01, words "in respect of any outward movement of goods of a registered person" substituted with "in respect of a registered person, whether as a supplier or a recipient".
- Inserted FORM RFD-01W i.e., the application for withdrawal of refund application.

11. CBIC issues SoP for Implementation of Provision of Extension of Time Limit to Apply for Cancellation of GST Registration:

Any registered person, whose registration is cancelled by the proper officer on his own motion, may apply to such officer in FORM GST REG-21, for revocation of cancellation of registration within 30 days from the date of service of the cancellation order.

Beyond 30 days but not exceeded 90 days:

As per the circular, where a person applies for revocation of cancellation of registration beyond a period of 30 days from the date of service of the order of cancellation of registration but within 60 days of such date, the said person may request, through letter or e-mail, for extension of time limit to apply for revocation of cancellation of registration to the proper officer by providing the grounds on which such extension is sought.



12. E-Way Bill integrated with FASTag, RFID; Transporter to have a RFID tag in his Vehicle:

With the integration of E-waybill System with RFID and Fast-tag, officers now can access the details of commercial vehicle movements through tolls on a near real-time basis. Various reports are available in the E Way Bill Officers' Mobile Application such as:

- **REAL TIME TRACKING OF EWB & VEHICLE:**

Details such as value, HSN, Validity, from and to locations on Map, name of toll and exact passage time. The passage of vehicle can also be viewed in Map.

- **LATE PASSAGE DETAILS OF VEHICLE:**

For a given vehicle number, last ten pass through the toll plazas is shown. On clicking the map icon, the movement details are shown on the map

- **VEHICLE PASSAGE DETAIL OR GIVEN DATE:**

The details of E-way Bill(s) carried by a particular vehicle and the passage details at various tolls with exact time of passage in a given date range.

- **EWB WITH VEHICLE DETAILS:**

Vehicle details of a particular E-Way Bill and time during which that vehicle was carrying the E-way Bill with details of transshipment if any.

In a move which will help curb tax evasion, GST authorities have been armed with real-time data of commercial vehicle movement on highways with integration of the e-way bill (EWB) system with FASTag and RFID.


UPDATES FROM THE 43rd GST COUNCIL MEETING

The GST Council in its 43rd meeting held on 28th May, 2021 at New Delhi took the following decisions relating to changes in GST rates on supply of goods and services and changes related to GST law and procedure.

1.A. GSTR 3B Due dates for all Registered Persons having Aggregate turnover > 5 Crores in preceding F.Y:

Tax Period	Late Fees	Interest	
	No Late Fees if filed till	Interest @ 9% if filed till	Interest @ 18% if filed after
Mar-21	5 th May, 2021	5 th May, 2021	5 th May, 2021
Apr-21	4 th June, 2021	4 th June, 2021	4 th June, 2021
May-21	5 th July, 2021	5 th July, 2021	5 th July, 2021

B. GSTR 3B Due dates for all Registered Persons having Aggregate turnover < 5 Crores in preceding F.Y and filing monthly returns:

Tax Period	Late Fees	Interest		
	No Late Fees if filed till	NIL Interest if filed till	Interest @ 9% if filed till	Interest@ 18% if filed after
Mar-21	19 th June, 2021	5 th May, 2021	19 th June, 2021	19 th June, 2021
Apr-21	4 th July, 2021	4 th June, 2021	4 th July, 2021	4 th July, 2021
May-21	20 th July, 2021	5 th July, 2021	20 th July, 2021	20 th July, 2021


C. GSTR 3B Due dates for all Registered Persons under QRMP Scheme:

Tax Period	Late Fees	Interest		
	No Late Fees if filed till	NIL Interest if filed till	Interest @ 9% if filed till	Interest @18% if filed after
Mar-21	21 st /23 rd June, 2021	7 th / 9 th May, 2021	21 st /23 rd June, 2021	21 st /23 rd June, 2021
Apr-21	Not Applicable	9 th June, 2021	9 th July, 2021	9 th July, 2021
May-21	Not Applicable	10 th July, 2021	25 th July, 2021	25 th July, 2021

D. CMP-08 Due date for Composition taxable persons:

Tax Period	Interest		
	NIL Interest if filed till	Interest @ 9% if filed till	Interest @ 18% if filed after
Jan-Mar 2021	3 rd May 2021	17 th June, 2021	17 th June, 2021

2. GSTR 1/ IFF facility Due date

Sr. No	Form	Tax Period	Extended due date / duration
1	GSTR 1	May, 2021	26 th June, 2021
2	IFF	May, 2021	1 st June, 2021 till 28 th June, 2021
3	GSTR 4	FY 2020-21	31 st July, 2021
4	ITC - 04	Quarter ending March, 2021	30 th June, 2021


3. GST Amnesty Scheme for GSTR-3B returns if filed between 01.06.2021 to 31.08.2021:

Tax Period	Category of Taxpayers	
	Taxpayers having NIL tax liability	Other Taxpayers
July 2017 to April 2021	Max late fees of Rs 500 (Rs 250 CGST + Rs 250 SGST) per return	Max late fees of Rs 1000 (Rs 500 CGST + Rs 500 SGST) per return

4. Rationalization of late fees leviable on account of delay in furnishing return in FORM GSTR-3B & FORM GSTR-1 from June 2021 onwards:

Category of Taxpayers	Maximum amount of late fees
Taxpayers having NIL tax liability or having NIL outward supplies	Max late fees of Rs 500 (Rs 250 CGST + Rs 250 SGST) per return
Other taxpayers having aggregate turnover in preceding financial year up to Rs 1.5 crores	Max late fees of Rs 2000 (Rs 1000 CGST + Rs 1000 SGST) per return
Other taxpayers having aggregate turnover in preceding financial year between Rs 1.5 crores to Rs 5 crores	Max late fees of Rs 5000 (Rs 2500 CGST + Rs 2500 SGST) per return
Other taxpayers having aggregate turnover in preceding financial year above Rs 5 crores	Max late fees of Rs 10000 (Rs 5000 CGST + Rs 5000 SGST) per return



5. Rationalisation of late fees leviable under Section 47 for delay in furnishing of return in FORM GSTR-4 has been done from the tax period 2021-22 onwards.

Category of Taxpayers	Maximum amount of late fees
Taxpayers having NIL tax liability	Max late fees of Rs 500 (Rs 250 CGST + Rs 250 SGST) per return
Other taxpayers	Max late fees of Rs 2000 (Rs 1000 CGST + Rs 1000 SGST) per return

6. Other relaxations

- Cumulative application of rule 36(4) for availing ITC for tax periods April, May and June, 2021 in the return for the period June, 2021.
- Filing of returns by companies using Electronic Verification Code (EVC), instead of Digital Signature Certificate (DSC) till 31.08.2021
- Retrospective amendment in section 50 of the CGST Act with effect from 01.07.2017, providing for payment of interest on net cash basis to be notified.
- To make the present system of GSTR-1/3B return filing as the default return filing system in GST.

7. Other highlights

a. Covid relief items

- Specified covid 19 related goods such as medical oxygen, oxygen concentrators, transportation equipment etc. have been recommended for full exemption from IGST even if imported on payment basis where such goods are donated to CG/ SG or as permitted by them.
- IGST exemption to be extended to Amphotericin B, in the view of rising black fungus cases.
- Reduction of GST rate on Diethylcarbamazine (DEC) tablets from 12% to 5%.

**b. Certain clarifications / clarificatory amendments**

Certain clarifications/clarificatory amendments have been recommended in relation to GST rates. Major ones are –

Goods

- a. Levability of IGST on repair value of goods re-imported after repairs
- b. GST rate of 12% to apply on parts of sprinklers/ drip irrigation systems falling under tariff heading 8424 (nozzle/laterals) to apply even if these goods are sold separately.

Services

- a. To clarify those services supplied to an educational institution including anganwadi (which provide pre- school education also), by way of serving of food including mid- day meals under any midday meals scheme, sponsored by Government is exempt from levy of GST irrespective of funding of such supplies from government grants or corporate donations.
- b. To clarify those services provided by way of examination including entrance examination, where fee is charged for such examinations, by National Board of Examination (NBE), or similar Central or State Educational Boards, and input services relating thereto are exempt from GST.
- c. To make appropriate changes in the relevant notification for an explicit provision to make it clear that land owner promoters could utilize credit of GST charged to them by developer promoters in respect of such apartments that are subsequently sold by the land promotor and on which GST is paid.

The developer promoter shall be allowed to pay GST relating to such apartments any time before or at the time of issuance of completion certificate so as to avail ITC by landowner during construction.



- d. To extend the same dispensation as provided to **MRO units (Maintenance, repair & overhaul units)** of aviation sector to MRO units of ships/vessels so as to provide level playing field to domestic shipping MROs vis a vis foreign MROs and accordingly, -
1. GST on MRO services in respect of ships/vessels shall be reduced to 5% (from 18%)
 2. PoS of B2B supply of MRO Services in respect of ships/vessels would be location of recipient of service
- e. To clarify that supply of service by way of milling of wheat/paddy into flour (fortified with minerals etc. by millers or otherwise)/rice to Government/ local authority etc. for distribution of such flour or rice under PDS is exempt from GST if the value of goods in such composite supply does not exceed 25%. Otherwise, such services would attract GST at the rate of 5% if supplied to any person registered in GST, including a person registered for payment of TDS.
- f. To clarify that GST is payable on annuity payments received as deferred payment for construction of road. Benefit of the exemption is for such annuities which are paid for the service by way of access to a road or a bridge.

Note: The recommendations of the GST Council had been published in the Press Release on 28th May 2021 in simple language for information of all stakeholders. Later these recommendations were given effect through Notifications 16/2021 to 27/2021-Central Tax dt, 1st June 2021.

- a. To clarify those services supplied to a Government Entity by way of construction of a rope-way attract GST at the rate of 18%.
- b. To clarify that services supplied by Govt. to its undertaking/PSU by way of guaranteeing loans taken by such entity from banks and financial institutions is exempt from GST.



g. Relaxation u/s 168A of CGST Act

Time limit for completion of various actions, by any authority or by any person, under the GST Act, which falls during the period from 15th April, 2021 to 29th June, 2021, to be extended upto 30th June, 2021, subject to some exceptions.

Wherever the timelines for actions have been extended by the Hon'ble Supreme Court, the same would apply.

h. Simplification of Annual Return for Financial Year 2020-21:

Amendments in section 35 and 44 of CGST Act made through Finance Act, 2021 to be notified. This would ease the compliance requirement in furnishing reconciliation statement in FORM GSTR-9C, as taxpayers would be able to self-certify the reconciliation statement, instead of getting it certified by chartered accountants/ Cost Accountants. This change will apply for Annual Return for FY 2020-21.

The filing of annual return in FORM GSTR-9 / 9A for FY 2020-21 to be optional for taxpayers having aggregate annual turnover upto Rs 2 Crore;

The reconciliation statement in FORM GSTR-9C for the FY 2020- 21 will be required to be filed by taxpayers with annual aggregate turnover above Rs 5 Crore.

i. GST Amnesty Scheme for GSTR-3B returns if filed between 01.06.2021 to 31.08.2021:

Tax Period	Category of Taxpayers	
	Taxpayers having NIL tax liability	Other Taxpayers
July 2017 to April 2021	Max late fees of Rs 500 (Rs 250 CGST + Rs 250 SGST) per return	Max late fees of Rs 1000 (Rs 500 CGST + Rs 500 SGST) per return



j. Rationalization of late fees leviable on account of delay in furnishing return in FORM GSTR-3B & FORM GSTR-1 from June 2021 onwards:

Category of Taxpayers	Maximum amount of late fees
Taxpayers having NIL tax liability or having NIL outward supplies	Max late fees of Rs 500 (Rs 250 CGST + Rs 250 SGST) per return
Other taxpayers having aggregate turnover in preceding financial year up to Rs 1.5 crores	Max late fees of Rs 2000 (Rs 1000 CGST + Rs 1000 SGST) per return
Other taxpayers having aggregate turnover in preceding financial year between Rs 1.5 crores to Rs 5 crores	Max late fees of Rs 5000 (Rs 2500 CGST + Rs 2500 SGST) per return
Other taxpayers having aggregate turnover in preceding financial year above Rs 5 crores	Max late fees of Rs 10000 (Rs 5000 CGST + Rs 5000 SGST) per return

k. Rationalisation of late fees leviable under Section 47 for delay in furnishing of return in FORM GSTR-4 has been done from the tax period 2021-22 onwards.

Category of Taxpayers	Maximum amount of late fees
Taxpayers having NIL tax liability	Max late fees of Rs 500 (Rs 250 CGST + Rs 250 SGST) per return
Other taxpayers	Max late fees of Rs 2000 (Rs 1000 CGST + Rs 1000 SGST) per return


DUE DATE CALENDER
Income Tax, PF and ESIC Calendar for June 2021:

DATE	DUE DATE FOR
07/06/2021	Payment of TDS/TCS deducted /collected in May, 2021
14/06/2021	Due date for issue of TDS Certificate for tax deducted under Section 194A, 194B and 194M in the month of April, 2021
15/06/2021	Quarterly TDS certificates (in respect of tax deducted for payments other than salary) for the quarter ending March 31, 2021
15/06/2021	E-payment of PF and ESI for May, 2021.
15/06/2021	Payment of Advance Tax (First Quarter of FY 2021-22)
30/06/2021	Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, 194IB and 194IM in the month of May, 2021
30/06/2021	Quarterly statement of TDS deposited for the quarter ending March 31, 2021
30/06/2021	Linking of Aadhar with PAN - Personals who have not linked their Aadhar with PAN Card
30/06/2021	Payment of tax under the Direct Tax Vivad se Vishwas Act, 2020 without additional charge.
30/06/2021	Due date for furnishing of statement of financial transaction (in Form No. 61A) as required to be furnished under sub-section (1) of section 285BA of the Act respect for financial year 2020-21
30/06/2021	Due date for e-filing of annual statement of reportable accounts as required to be furnished under section 285BA(1)(k) (in Form No. 61B) for calendar year 2020 by reporting financial institutions.



THANK YOU!

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