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A cartoon illustration of a hand holding a large, tan-colored money bag. The bag has a large black rupee symbol (₹) on it. The hand is positioned on the right side of the image, with fingers curled around the top of the bag.

# INCOME TAX



# EXTENSION OF DATES OF INCOME TAX FORMS

The Central Board of Direct Taxes (CBDT) has decided to further extend the due dates for electronic filing of such Forms. The details are as under:

(i) 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 37BB of the Rules, as extended to 31st July, 2021 vide Circular No.12 of 2021 dated 25.06.2021, may be filed on or before 31st August, 2021;

(ii) The Equalization Levy Statement in Form No.1 for the Financial Year 2020-21, which was required to be filed on or before 30th June, 2021, as extended to 31st July, 2021 vide Circular No.12 of 2021 dated 25.06.2021, may be filed on or before 31st August, 2021;

(iii) 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, as extended to 15th July, 2021 vide Circular No.12 of 2021 dated 25.06.2021, may be furnished on or before 15th September, 2021

# EXTENSION OF DATES OF INCOME TAX FORMS

(iv) 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, as extended to 31st July, 2021 vide Circular No.12 of 2021 dated 25.06.2021, may be furnished on or before 30th September, 2021.

Further, considering the non-availability of the utility for e-filing of certain Forms, the CBDT has decided to extend the due dates for electronic filing of such Forms as under:

(i) 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 30<sup>th</sup> June,2021, required to be furnished on or before 31st July,2021 under Rule 2DB of the Rules, may be furnished on or before 30th September, 2021;

(ii) 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, required to be furnished on or before 31st July,2021 as per Circular No.15 of 2020 dated 22.07.2020, may be furnished on or before 30th September, 2021.(Circular No 15/2021 dated 3rd August,2021.)

# BILL ON RETROSPECTIVE AMENDMENT

The Bill proposes to refund the amount paid without any interest thereon. The Bill also proposes to amend the Finance Act, 2012 so as to provide that the validation of demand, etc., under section 119 of the Finance Act, 2012 shall cease to apply on fulfilment of conditions.

To achieve the above the Taxation Laws (Amendment) Bill, 2021 proposes to introduce three Provisos (Fourth, Fifth and sixth) to Explanation 5 to section 9(1)(i). To sum up the effect will be as follows:

- 1) the retrospective impact of Explanation 5 to Section 9(1)(i) shall be ignored if assets situated in India are indirectly transferred before 28-05-2012. Hence, income accruing or arising through or from such indirect transfer of Indian assets shall not be taxable in India. Consequently, all pending assessments and appeals have to be concluded without any additions on this account.
- 2) All assessments or rectification applications concluded by the authorities, to the extent it relates to the computation of income from indirect transfer of assets, shall be deemed to never have been passed or made.
- 3) The sixth proviso provides for refund without any interest. Of course, all the above will be subject to the conditions mentioned above to be satisfied by taxpayers.

# REFUND OF EXCESS INTEREST

The Income Tax Department says it will refund excess interest and late fee paid by taxpayers due to software error while filing ITR for 2020-21

# PHYSICAL HEARING AT DELHI ITAT

In continuation of various Guidelines/Standard Operating Procedures (SOPs) as stipulated in Circulars dated 27th April, 2020, 6th May, 2020, 3rd July, 2020 relating to the hearings through Video Conferencing, the Notice dated 29 January, 2021 commencing the phased physical hearings at the ITAT, Delhi Benches with effect from 1st February, 2021, and the latest Notice dated 13th April, 2021 restoring the hearings through Video Conferencing mode only.

Now, in view and on consideration of the improved situation of Covid Pandemic in the NCT of Delhi, the Hon'ble President, ITAT has been pleased to approve the resumption of the physical hearings at Delhi Benches in a restricted manner with effect from 23rd August, 2021, subject to review of the pandemic situation in the NCT of Delhi from time to time.

The System and Standard Operating Procedure (SOP) of physical hearings before ITAT, Delhi Benches shall be issued separately in due course. (Notice dated 11th August, 2021.)



# **GOODS AND SERVICES TAX AND CUSTOMS DUTY**



# ADVISORY ON E-WAY BILL



The GSTN has issued **Advisory for Taxpayers regarding Blocking of E-Way Bill (EWB) generation facility resume after 15th August, 2021.**

1 That the facility of blocking E way bill generation had been temporarily suspended due to pandemic, in terms of Rule 138 E (a) and (b) of the CGST Rules, 2017, the E Way Bill generation facility of a person is liable to be restricted, in case the person fails to file their return in Form GSTR-3B / statement in CMP-08, for a consecutive period of two months / Quarters or more.

2. The government has now decided to resume the blocking of EWB generation facility on the EWB portal, for all the taxpayers in terms of Rule 138 E (a) and (b) of the CGST Rules, 2017, from 15th August onwards.

3. Thus, after 15th August 2021, the System will check the status of returns filed in Form GSTR-3B or the statements filed in Form GST CMP-08, and restrict the generation of EWB in case of:

- Non filing of two or more returns in **Form GSTR-3B** for the months **up to June, 2021** and
- Non filing of 02 or more statements in **Form GST CMP-08** for the quarters **up to April to June, 2021**

4. To avail continuous EWB generation facility on EWB Portal, you are therefore advised to file your pending GSTR 3B returns/ CMP-08 Statement immediately

# TIME BOUND DISPOSAL OF VAT OBJECTION

The Department of Trade and Taxes has issued policy order in order to ensure time bound disposal of the objections under DVAT Act and objection hearing authorities are requested to Fix timing for hearing and issue cause lists, Decide and publicize objection hearing timing and copies of the orders passed by OHA,s may also be marked to Commissioner VAT.( Policy order dated 11th August,2021.)



# **EXTENSION OF DATE OF FILING VAT RETURN**

The Department of Trade and Taxes has issued Circular and extended the last date of filing of online/hard copy of first quarter return of 2021-22 in form DVAT 16, DVAT 17 and DVAT 48 upto 31st August,2021.( Circular No 02/202-22 dated 11th August,2021.)



# AMENDMENT IN COM.(REG.OF FOREIGN. COM) RULES

The MCA has issued notification and In the Companies (Registration of Foreign Companies) Rules, 2014, in clause (c) of sub-rule (1) of rule 2, the following explanation shall be inserted, namely:- “Explanation.- For the purposes of this clause, electronic based offering of securities, subscription thereof or listing of securities in the International Financial Services Centres set up under section 18 of the Special Economic Zones Act, 2005 shall not be construed as ‘electronic mode’ for the purpose of clause (42) of section 2 of the Act.” (Notification dated 5th August, 2021)

# CLARIFICATION ON SPENDING OF CSR FUND

The MCA has issued Circular and clarified that spending of CSR fund for Covid-19 Vaccination for persons other than employees and their families is an eligible activity under schedule VII of the Companies Act,2013.

(Circular No 13/2021 dated 30th July,2021.)

# EXEMPTION TO FOREIGN COMPANIES



The MCA has issued Notification that In exercise of the powers conferred by section 393A of the Companies Act, 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, insofar 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 Centres set up under section 18 of the Special Economic Zones Act, 2005. ( Notification dated 5th August,2021.)

# MANDATORY UPDATION OF IEC

The last date for mandatory Updation of IEC is extended till 31.08.2021 and no fees will be charged on modification carried out in IEC during the period upto 31st August,2021.(Notification No 16/2015-2020 dated 9th August,2021)



# INCLUSION OF RETAIL & WHOLESALE TRADE UNDER MSME

The Government has received various representations and it has been decided to include Retail and wholesale trades as MSMEs and they are allowed to be registered on Udyam Registration Portal. However, benefits to Retail and Wholesale trade MSMEs are to be restricted to Priority Sector Lending only.

Accordingly, the list of eligible additional activities under NIC Code 45, 46 and 47 are as under:

45 Wholesale and retail trade and repair of motor vehicle and motorcycles

46 Wholesale trade except of motor vehicles and motor cycles

47 Retail Trade Except of Motor Vehicles and motor cycles

The Udyam Registration is allowed for above three NIC Codes and activities mentioned against them.

The Enterprises having Udyog Aadhaar Memorandum (UAM) under above three NIC Codes are now allowed to migrate to Udyam Registration Portal or they can file Udyam Registration afresh. (Office Memorandum dated 2nd July, 2021)

# OPENING OF CURRENT ACCOUNT WITH BANKS



The Reserve Bank of India has issued circular that the instructions were issued in order to enforce credit discipline amongst the borrowers as well as to facilitate better monitoring by the lenders; and for this purpose, a graded approach had been prescribed on opening and operating of current accounts and CC/OD facilities. Banks were required to implement these instructions in a non-disruptive manner while keeping the bonafide business requirements of the borrowers in mind.

It is reiterated that:

- a) In case of borrowers who have not availed of CC/OD facility from any bank, there is no restriction on opening of current accounts by any bank if exposure of the banking system to such borrowers is less than ₹5 crore.
- b) In case of borrowers who have not availed of CC/OD facility from any bank and the exposure of the banking system is ₹5 crore or more but less than ₹50 crore, there is no restriction on lending banks to such borrowers from opening a current account. Even non-lending banks can open current accounts for such borrowers though only for collection purpose
- c) The restriction applies to borrowers in case they avail of CC/OD facility since all operations that can be carried out from a current account can also be carried out from a CC/OD account as banks in a CBS environment follow a one-bank-one-customer model as against a one-branch-one-customer model

# OPENING OF CURRENT ACCOUNT WITH BANKS



We have in the meantime received requests from the banks for some more time to resolve the operational issues while implementing the circular in letter and spirit. Therefore, in order to ensure that the instructions are implemented in a non-disruptive manner, it has been decided that:

Banks will be permitted time till October 31, 2021 to implement the provisions of the circular. This extended time line shall be utilised by banks to engage with their borrowers to arrive at mutually satisfactory resolutions within the ambit of the circular. Such issues which banks are unable to resolve themselves shall be escalated to Indian Banks' Association (IBA) for appropriate guidance. Residual issues, if any, requiring regulatory consideration shall be flagged by IBA to the Reserve Bank for examination by September 30, 2021(Circular No RBI/2021-22/77 dated 4th August,2021)



# SHOP & ESTABLISHMENT REGISTRATION

The Delhi Labour department has issued advertisement that All shops and establishments are required to be registered under Delhi Shop and Establishments Act,1954. The registration is online , free of cost and without submission of any documents. MCA has provided facility for new companies to apply registration through Spice+ Form online

# COMPLIANCE DATES FOR AUGUST, 2021

|             |   |
|-------------|---|
| 13th August | Filing of IFF for the Month of July, 2021.                                  |
| 13th August | Filing of GSTR 6 for the month of July 2021.                                |
| 15th August | Deposit of P F for the month of July, 2021.                                 |
| 15th August | Deposit of ESI for the month of July, 2021.                                 |
| 20th August | File GSTR-3B Return for the month of July, 2021. (Turnover Above 5 crore) . |
| 20th August | File GSTR-5A Return for the month of July, 2021.                            |

**DISCLAIMER :** Although due care has been taken while compiling the above details, yet the author carries no responsibility for any inadvertent misquoting. Please check the relevant source before relying on any of the compilations. The notification and circulars covered under the compilation are chosen which are considered important and not all, issued under the relevant statute

# COMPLIANCE DATES FOR AUGUST, 2021

|             |  |
|-------------|--|
| 22nd August | File GSTR-3B Return for the month of July, 2021.(Turnover Below 5 crore) for specified states. |
| 24th August | File GSTR-3B Return for the month of July,2021.(Turnover Below 5 crore) for specified states.  |
| 31st August | GST Return for Pending period Amnesty Scheme   |
| 31st August | MCA extended date for all forms to be filed between 01.04.2021 to 31.07.2021.                  |
| 31st August | Last date of filing Application u/s 12AA and 80G.  |

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Thank  
you

