

MAY, 2021

# TAX Bulletin

★ ★ VOLUME - 87 ★ ★



**THE INSTITUTE OF COST ACCOUNTANTS OF INDIA**

Statutory Body under an Act of Parliament

[www.icmai.in](http://www.icmai.in)

**Headquarters:** CMA Bhawan, 12 Sunder Street, Kolkata - 700016

Ph: 091-33-2252 1031/34/35/1602/1492

**Delhi Office:** CMA Bhawan, 3 Institutional Area, Lodhi Road, New Delhi - 110003

Ph: 091-11-24666100

### MISSION STATEMENT

“The CMA Professionals would ethically drive enterprises globally by creating value to stakeholders in the socio-economic context through competencies drawn from the integration of strategy, management and accounting.”

### VISION STATEMENT

“The Institute of Cost Accountants of India would be the preferred source of resources and professionals for the financial leadership of enterprises globally.”

### Objectives of Taxation Committees:

1. Preparation of Suggestions and Analysis of various Tax matters for best Management Practices and for the professional development of the members of the Institute in the field of Taxation.
2. Conducting webinars, seminars and conferences etc. on various taxation related matters as per relevance to the profession and use by various stakeholders.
3. Submit representations to the Ministry from time to time for the betterment and financial inclusion of the Economy.
4. Evaluating opportunities for CMAs to make way for further development and sustenance of the opportunities.
5. Conducting and monitoring of Certificate Courses on Direct and Indirect Tax for members, practitioners and stake holders and also Crash Courses on GST for Colleges and Universities.

MAY, 2021

# TAX Bulletin

★ ★ VOLUME - 87 ★ ★



**THE INSTITUTE OF COST ACCOUNTANTS OF INDIA**

Statutory Body under an Act of Parliament

[www.icmai.in](http://www.icmai.in)

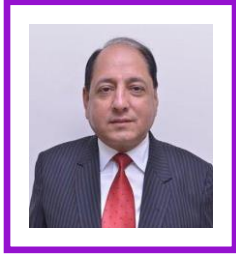
Headquarters: CMA Bhawan, 12 Sunder Street, Kolkata - 700016

Ph: 091-33-2252 1031/34/35/1602/1492

Delhi Office: CMA Bhawan, 3 Institutional Area, Lodhi Road, New Delhi - 110003

Ph: 091-11-24666100





**CMA Rakesh Bhalla**  
Chairman, Direct Taxation Committee



**CMA Chittaranjan Chattopadhyay**  
Chairman, Indirect Taxation Committee

## FROM THE DESK OF CHAIRMAN

Dear Friends and Professional Colleagues,

The Covid-19 second wave has been widespread in our Country devastating big cities like Delhi, Mumbai, Lucknow and Pune. It feels disheartening to find that the hospitals and crematoriums have run out of space and patients are struggling for healthcare despite of the best efforts of the doctors and the Government. The pandemic has now firmly gripped many smaller cities, towns and villages also. We pay our deepest condolences to the family of our members who have lost their lives due to onslaught of COVID. In such a crisis situation, we pray to the almighty for the safety and health of the readers and their family members.

We urge you to stay at home, stay safe. The online version of the 87<sup>th</sup> Tax bulletin may be a good read for you at this time.

The changes announced by CBIC and CBDT in this fortnight for the companies and taxpayers are enumerated below:

1. Announcements by CBIC:

- Taxpayers registered under the Companies Act, 2013, can now file their Form GSTR-1 and GSTR-3B with EVC also, apart from using DSC, on GST Portal.
- CBIC seeks to waive penalty payable for non-compliance of provisions of Notification No. 14/2020 dated 21st March 2020.
- CBIC has provided a new update related to GSTR-1, GSTR-3B and matching offline tool in the QRMP scheme.
- New features of Form GSTR-2B & GSTR-3B made available to taxpayers under QRMP Scheme

2. Announcements by CBDT:

- The income tax department has issued the notification related to the due date extension for direct tax Vivad se Vishwas Act. Vivad se vishwas scheme has been extended till 30th June, 2021 due to covid19.
- CBDT issues notification specifying format, procedure and guidelines for submission of Statement of Financial Transactions (SFT) for Dividend income under Income Tax Act, 1961.

The department has also arranged for the conduct of another workshop on the topic, **Scenario of Assessment & Appeal in Income Tax** in the month of May 2021. Eminent Tax Advocate Niranjan Swain, a member of our Institute is the esteemed speaker for the session.

Admission for the upcoming batches of below courses is open:

- Certificate Course on GST
- Advanced Certificate Course on GST

- Certificate Course on Filing of Returns
- Certificate Course on TDS
- Advanced Course on GST Audit and Assessment Procedure
- Advanced Course on Income Tax Assessment and Appeal

Classes for the above courses would tentatively start by the month of May, 2021.

We also appreciate the untiring efforts of the members of Tax Research Department for carrying on all the activities of the TRD seamlessly in this constrained scenario.

We solicit your Feedback for further improvement of the Bulletin.

Jai Hind.

Warm Regards



(Rakesh Bhalla)

**CMA Rakesh Bhalla**  
4<sup>th</sup> May 2021



**CMA Chittaranjan Chattopadhyay**  
4<sup>th</sup> May 2021

# TAXATION COMMITTEES 2020 - 2021

## Indirect Taxation Committee

### Permanent Invitees

CMA Biswarup Basu - President  
CMA P. Raju Iyer - Vice-President

### Chairman

1. CMA Chittaranjan Chattopadhyay

### Members

2. CMA Balwinder Singh  
3. CMA Ashwinkumar G. Dalwadi  
4. CMA Debasish Mitra  
5. CMA H. Padmanabhan  
6. CMA (Dr.) V. Murali  
7. CMA (Dr.) K Ch A V S N Murthy  
8. CMA Vijender Sharma  
9. CMA Rakesh Bhalla  
10. CMA V.S. Datey (Co-opted)  
11. CMA Ashok B. Nawal (Co-opted)  
12. CMA Debasis Ghosh (Co-opted)

### Secretary

CMA Rajat Kumar Basu, Addl. Director

## Direct Taxation Committee

### Permanent Invitees

CMA Biswarup Basu - President  
CMA P. Raju Iyer - Vice-President

### Chairman

1. CMA Rakesh Bhalla

### Members

2. CMA Balwinder Singh  
3. CMA Neeraj D. Joshi  
4. CMA (Dr.) Ashish P. Thatte  
5. CMA H. Padmanabhan  
6. CMA Papa Rao Sunkara  
7. CMA Chittaranjan Chattopadhyay  
8. CMA Harijiban Banerjee (Co-opted)  
9. CMA Rakesh Sinha (Co-opted)

### Secretary

CMA Rajat Kumar Basu, Addl. Director

## ACKNOWLEDGEMENTS

CMA Mrityunjay Acharjee

CMA Amit Sarker

CMA Vishwanath Bhat

CMA Bhogavalli Mallikarjuna Gupta

CMA T K Jagannathan

CMA Shiba Prasad Padhi

CMA Niranjana Swain

CMA Navneet Kumar Jain

CMA Anil Sharma

CMA Arindam Goswami

CMA Manmohan Daga

CMA Ashok Nawal

## TEAM - TAX RESEARCH DEPARTMENT

CMA Rajat Kumar Basu

CMA Tinku Ghosh Das

CMA Priyanka Roy

Ms. Mukulika Poddar

CMA Debasmita Jana

CMA Amitesh Kumar Shaw

CMA Priyadarsan Sahu

- Additional Director - Tax Research  
- Deputy Director - Tax Research  
- Assistant Director - Tax Research  
- Officer - Tax Research  
- Associate - Tax Research  
- Research Associate  
- Research Associate

### SPECIAL ACKNOWLEDGEMENT

Mr. Dipayan Roy Chaudhuri

- Graphics & Web Designer

# CONTENTS

## ARTICLES

### INDIRECT TAX

|    |   |          |
|----|---|----------|
| 01 | <b>NEED OF VOLUNTARY CERTIFICATION OF GSTR-9C</b> |          |
|    | CMA Ashok Nawal                                   | Page - 1 |

### RECENT UPDATES IN DIRECT TAX AND INDIRECT TAX

|          |          |
|----------|----------|
| Team TRD | Page - 5 |
|----------|----------|

### RELIEF MEASURES DECLARED BY CBIC AND CBDT IN INDIRECT TAX AND DIRECT TAX

|          |          |
|----------|----------|
| Team TRD | Page - 6 |
|----------|----------|

### GST COMPLIANCE RELAXATION IN GST REGIME ISSUED ON 1ST MAY, 2021

|          |          |
|----------|----------|
| Team TRD | Page - 9 |
|----------|----------|

## TAX UPDATES, NOTIFICATIONS AND CIRCULARS

|              |           |
|--------------|-----------|
| Indirect Tax | Page - 13 |
|--------------|-----------|

|            |           |
|------------|-----------|
| Direct Tax | Page - 27 |
|------------|-----------|

## PRESS RELEASE

|            |           |
|------------|-----------|
| Direct Tax | Page - 22 |
|------------|-----------|

## JUDGEMENTS

|              |           |
|--------------|-----------|
| Indirect Tax | Page - 23 |
|--------------|-----------|

|            |           |
|------------|-----------|
| Direct Tax | Page - 25 |
|------------|-----------|

## TAX COMPLIANCE CALENDAR AT A GLANCE

|              |           |
|--------------|-----------|
| Indirect Tax | Page - 29 |
|--------------|-----------|

|            |           |
|------------|-----------|
| Direct Tax | Page - 31 |
|------------|-----------|

|                                   |           |
|-----------------------------------|-----------|
| Courses - Tax Research Department | Page - 32 |
|-----------------------------------|-----------|

|   |           |
|---|-----------|
| E-Publications of Tax Research Department | Page - 33 |
|---|-----------|

Articles on the Topics of Direct and Indirect Taxation are invited from readers and authors. Along with the article please share a recent passport-sized photograph, a brief profile and the contact details. The articles should be the author's own original.  
Please send the articles to

***trd@icmai.in /trd.ad1@icmai.in***





**CMA Ashok Nawal**

Founder-Bizsol India Services Pvt. Ltd

## NEED OF VOLUNTARY CERTIFICATION OF GSTR-9C

---

**T**he Finance Bill 2021 has substituted the Section 44 of CGST Act, 2017, where annual return (GSTR-9) is required to be submitted along with self-certified reconciliation statement (GSTR-9C), earlier GSTR-9C was required to be certified by the Chartered Accountant or Cost Accountant. So there is no change in process of annual audit except for certification.

Now, insulation by way of certification by independent chartered accountant or cost accountant has been dispensed with and more responsibility has been casted on the self-certified person i.e. authorised signatory as well as Board of Directors. During GSTR-9C Certification, we have noticed excess availment of ITC, short payment of tax on RCM basis, short payment of outward tax liability as well as non-payment of taxes on certain taxable supplies, non-reversal of ITC under Rule 42 & 43 of CGST Rules 2017, non-maintenance of books of accounts as mentioned in Section 35 of CGST Act 2017 read with Rule 56 of CGST Rules 2017 and many more and correct liability is discharged, which is considered as voluntary payment, then there is no penalty applicable.

However, if such self-certification is done without fully scrutinizing all aspects as mentioned above, it will get detected by the during the Departmental Audit or CERA Audit or CAG Audit. Generally, such audits are conducted after end of three financial years. Once it is detected by the department, then demand can be raised under Section 73 / 74 of CGST Act 2017 and larger period is extended, since it was mis-declared in self-certified GSTR-9C.

Therefore, penalty as mentioned in Section 122 of CGST Act 2017 will be applicable. The same is reproduced below:

### Quote

#### **122. Penalty for certain offences.—**

(1) Where a taxable person who--

- i. supplies any goods or services or both without issue of any invoice or issues an incorrect or false invoice with regard to any such supply;
- ii. issues any invoice or bill without supply of goods or services or both in violation of the provisions of this Act or the rules made thereunder;

- iii. collects any amount as tax but fails to pay the same to the Government beyond a period of three months from the date on which such payment becomes due;
- iv. collects any tax in contravention of the provisions of this Act but fails to pay the same to the Government beyond a period of three months from the date on which such payment becomes due;
- v. fails to deduct the tax in accordance with the provisions of sub-section (1) of section 51, or deducts an amount which is less than the amount required to be deducted under the said sub-section, or where he fails to pay to the Government under sub-section (2) thereof, the amount deducted as tax;
- vi. fails to collect tax in accordance with the provisions of sub-section (1) of section 52, or collects an amount which is less than the amount required to be collected under the said sub-section or where he fails to pay to the Government the amount collected as tax under sub-section (3) of section 52;
- vii. takes or utilises input tax credit without actual receipt of goods or services or both either fully or partially, in contravention of the provisions of this Act or the rules made thereunder;
- viii. fraudulently obtains refund of tax under this Act;
- ix. takes or distributes input tax credit in contravention of section 20, or the rules made thereunder;
- x. falsifies or substitutes financial records or produces fake accounts or documents or furnishes any false information or return with an intention to evade payment of tax due under this Act;
- xi. is liable to be registered under this Act but fails to obtain registration;
- xii. furnishes any false information with regard to registration particulars, either at the time of applying for registration, or subsequently;
- xiii. obstructs or prevents any officer in discharge of his duties under this Act;
- xiv. transports any taxable goods without the cover of documents as may be specified in this behalf;
- xv. suppresses his turnover leading to evasion of tax under this Act;
- xvi. fails to keep, maintain or retain books of account and other documents in accordance with the provisions of this Act or the rules made thereunder;
- xvii. fails to furnish information or documents called for by an officer in accordance with the provisions of this Act or the rules made thereunder or furnishes false information or documents during any proceedings under this Act;
- xviii. supplies, transports or stores any goods which he has reasons to believe are liable to confiscation under this Act;
- xix. issues any invoice or document by using the registration number of another registered person;
- xx. tampers with, or destroys any material evidence or document;
- xxi. disposes off or tampers with any goods that have been detained, seized, or attached under this Act, he shall be liable to pay a penalty of ten thousand rupees or an amount equivalent to the tax evaded or the tax not deducted under section 51 or short deducted or deducted but not paid to the Government or tax not collected under section 52 or short collected or collected but not paid to the Government or input tax credit availed of or passed on or distributed irregularly, or the refund claimed fraudulently, whichever is higher.

- (2) Any registered person who supplies any goods or services or both on which any tax has not been paid or short-paid or erroneously refunded, or where the input tax credit has been wrongly availed or utilised,—
- a. for any reason, other than the reason of fraud or any wilful misstatement or suppression of facts to evade tax, shall be liable to a penalty of ten thousand rupees or ten per cent. of the tax due from such person, whichever is higher;
  - b. for reason of fraud or any wilful misstatement or suppression of facts to evade tax, shall be liable to a penalty equal to ten thousand rupees or the tax due from such person, whichever is higher.
- (3) Any person who--
- (a) aids or abets any of the offences specified in clauses (i) to (xxi) of sub-section (1);
  - (b) acquires possession of, or in any way concerns himself in transporting, removing, depositing, keeping, concealing, supplying, or purchasing or in any other manner deals with any goods which he knows or has reasons to believe are liable to confiscation under this Act or the rules made thereunder;
  - (c) receives or is in any way concerned with the supply of, or in any other manner deals with any supply of services which he knows or has reasons to believe are in contravention of any provisions of this Act or the rules made thereunder;
  - (d) fails to appear before the officer of central tax, when issued with a summon for appearance to give evidence or produce a document in an inquiry;
  - (e) fails to issue invoice in accordance with the provisions of this Act or the rules made thereunder or fails to account for an invoice in his books of account, shall be liable to a penalty which may extend to twenty-five thousand rupees.

### **Un-Quote**

Further, it will be treated as offence in accordance with the clause (f) of Section 132(1) of CGST Act 2017, which is reproduced below:

### **Quote**

#### **132. Punishment for certain offences.—**

- (1) Whoever commits any of the following offences, namely:—
- (a) supplies any goods or services or both without issue of any invoice, in violation of the provisions of this Act or the rules made thereunder, with the intention to evade tax;
  - (b) issues any invoice or bill without supply of goods or services or both in violation of the provisions of this Act, or the rules made thereunder leading to wrongful availment or utilisation of input tax credit or refund of tax;
  - (c) avails input tax credit using such invoice or bill referred to in clause (b);
  - (d) collects any amount as tax but fails to pay the same to the Government beyond a period of three months from the date on which such payment becomes due;
  - (e) evades tax, fraudulently avails input tax credit or fraudulently obtains refund and where such offence is not covered under clauses (a) to (d);
  - (f) falsifies or substitutes financial records or produces fake accounts or documents or furnishes any false information with an intention to evade payment of tax due under this Act;

- (g) obstructs or prevents any officer in the discharge of his duties under this Act;
- (h) acquires possession of, or in any way concerns himself in transporting, removing, depositing, keeping, concealing, supplying, or purchasing or in any other manner deals with, any goods which he knows or has reasons to believe are liable to confiscation under this Act or the rules made thereunder;
- (i) receives or is in any way concerned with the supply of, or in any other manner deals with any supply of services which he knows or has reasons to believe are in contravention of any provisions of this Act or the rules made thereunder;
- (j) tampers with or destroys any material evidence or documents;
- (k) fails to supply any information which he is required to supply under this Act or the rules made thereunder or (unless with a reasonable belief, the burden of proving which shall be upon him, that the information supplied by him is true) supplies false information; or
- (l) attempts to commit, or abets the commission of any of the offences mentioned in clauses (a) to (k) of this section, shall be punishable--
  - i. in cases where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds five hundred lakh rupees, with imprisonment for a term which may extend to five years and with fine;
  - ii. in cases where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds two hundred lakh rupees but does not exceed five hundred lakh rupees, with imprisonment for a term which may extend to three years and with fine;
  - iii. in the case of any other offence where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds one hundred lakh rupees but does not exceed two hundred lakh rupees, with imprisonment for a term which may extend to one year and with fine;
  - iv. in cases where he commits or abets the commission of an offence specified in clause (f) or clause (g) or clause (j), he shall be punishable with imprisonment for a term which may extend to six months or with fine or with both.

### Un-Quote

Further, certification from chartered accountant or cost accountant will insulate you from penalty and fine, since no willful or malafied intention can be proven. However, after the certification of Chartered Accountant or Cost Accountant, any issue raised by the department during their audit can be only w.r.t. interpretation and not of any errors and omission.

### Conclusion:

**It has been also observed that during the process of certification of GSTR-9C and while doing the reconciliation with books of accounts, Chartered Accountant and Cost Accountants also advise lot of internal control system and timely determination of correct tax amount payable and reversal of ineligible credit under Section 17 of CGST Act 2017 and also the reversal of common credit under Rule 42 & 43 of CGST Rules 2017.**

**Further, on determination of liabilities, if liability and interest is paid voluntary then the question of penalty do not arise. Therefore, in the interest of the taxpayer and to safeguard to the authorised signatory and directors, it is advisable to conduct GST audit through Chartered Accountant / Cost Accountant before the filing of annual return and self-certified GSTR-9C.**

# RECENT UPDATES IN DIRECT TAX AND INDIRECT TAX

TEAM TRD

## Direct Tax

A The timeline to update UDIN of past uploads of audit report and certificates has been further extended up to 30th June, 2021

For more details, please follow- <https://www.incometaxindiaefiling.gov.in/home>

CBDT has issued notification specifying format, procedure and guidelines for submission of Statement of Financial Transactions(SFT) for Dividend income under Income Tax Act, 1961

For more details, please follow- [https://www.incometaxindiaefiling.gov.in/eFiling/Portal/StaticPDF/notification\\_1\\_2021\\_dividend\\_income.pdf](https://www.incometaxindiaefiling.gov.in/eFiling/Portal/StaticPDF/notification_1_2021_dividend_income.pdf)

CBDT has issued notification specifying format, procedure and guidelines for submission of Statement of Financial Transactions(SFT) for Interest income under Income Tax Act, 1961

For more details, please follow- [https://www.incometaxindiaefiling.gov.in/eFiling/Portal/StaticPDF/notification\\_19\\_2021.pdf](https://www.incometaxindiaefiling.gov.in/eFiling/Portal/StaticPDF/notification_19_2021.pdf)

# RELIEF MEASURES DECLARED BY CBIC AND CBDT IN INDIRECT TAX AND DIRECT TAX

**TEAM TRD**

Due to pandemic COVID 19 situation in India, CBDT as well as CBIC have provided various relaxations in Direct Tax and Indirect Tax.

## Direct Tax

CBDT has extended the deadline for various Income Tax Compliances due to COVID-19 Pandemic vide Circular No. 08 /2021 dated – 30th April, 2021.

| Topic   | Previous Due Date  | Date Extended   |
|---|--|---|
| Appeal to Commissioner (Appeals) under Chapter XX of the Act  | 1st April, 2021 or thereafter  | within the time provided under that Section or by 31st May, 2021, whichever is later; |
| Objections to Dispute Resolution Panel (DRP) under Section 144C of the Act  | 1st April, 2021 or thereafter  | within the time provided under that Section or by 31st May, 2021, whichever is later; |
| Income Tax return in response to notice under Section 148 of the Act,   | 1st April, 2021 or thereafter  | within the time allowed under that notice or by 31st May, 2021, whichever is later;   |
| Filing of belated return under sub-section (4) and revised return under sub-section (5) of Section 139 of the Act, for Assessment Year 2020-21      | on or before 31st March, 2021  | on or before 31st May, 2021   |
| Payment of tax deducted under Section 194-IA, Section 194-IB and Section 194M of the Act, and filing of challan-cum-statement for such tax deducted | which are required to be paid and furnished by 30th April, 2021 (respectively) | may be paid and furnished on or before 31st May, 2021                                 |
| Statement in Form No. 61, containing particulars of declarations received in Form No.60   | on or before 30th April, 2021,   | on or before 31st May, 2021   |

## Indirect Tax

1. Late Fees has been waived off for delay in filing of GSTR 3B for the month of March & April 2021 vide Notification No. 9/2021-CT dated 1st May 2021

| Type of taxpayer                         | Tax Period         | Turnover Limit  | late fees waived off         |
|--|--------------------|---|------------------------------|
| Regular taxpayer                         | March & April 2021 | Turnover more than Rs. 5 Cr in preceding financial year | Late fees waived for 15 days |
| Regular taxpayer-Monthly Scheme          | March & April 2021 | Turnover upto Rs. 5 Cr in preceding financial year      | Late fees waived for 30 days |
| Regular taxpayer-Quarterly Scheme (QRMP) | January-March 2021 | Turnover upto Rs. 5 Cr in preceding financial year      | Late fees waived for 30 days |

2. The due date for filing GSTR-1 for the month of April 2021 has been extended till 26th May 2021 vide Notification No. 12/2021-CT dated 01.05.2021.
3. The due date for filing IFF for the month of April 2021 has been extended till 28th May 2021 vide Notification No. 13/2021-CT dated 01.05.2021.
4. The due date for furnishing return GSTR 4(Annual Return)by taxpayers under composite scheme for the FY 2020-21 has been extended till the 31st May, 2021 vide Notification No. 10/2021-CT dated 1st May 2021.
5. The due date for furnishing the declaration in Form ITC-04 for the quarter Jan'21-Mar'21 in respect of goods dispatched to a job worker or received from a job worker has been extended till 31st May, 2021 vide Notification No. 11/2021-CT dated 1st May 2021.
6. Interest Rate for delayed payment of GST has been reduced for different classes of taxpayers as described below:

| Category of taxpayer                     | Tax Period               | Turnover Limit                                      | Applicable Interest Rates (After reduction)                 |
|--|--------------------------|---|---|
| Regular taxpayer                         | March & April 2021       | Turnover more than 5 Cr in preceding financial year | For first 15 days- 9% Thereafter- 18%                       |
| Regular taxpayer-Monthly Scheme          | March & April 2021       | Turnover upto 5 Cr in preceding financial year      | For first 15 days- NIL For next 15 days- 9% Thereafter- 18% |
| Regular taxpayer-Quarterly Scheme (QRMP) | March & April 2021       | Turnover upto 5 Cr in preceding financial year      | For first 15 days- NIL For next 15 days- 9% Thereafter- 18% |
| Composition taxpayer                     | January-March'21 Quarter | -   | For first 15 days- NIL For next 15 days- 9% Thereafter- 18% |

7. According to Rule 36(4) ITC can be availed upto maximum 5% of the ITC reflected in Form GSTR 2A/2B.

*However the above restriction will not apply in the month of April & May 2021, but will apply cumulatively for the period April & May, 2021 and the return in FORM GSTR-3B for the month of May, 2021 is to be furnished with the cumulative adjustment of input tax credit for those months vide Notification No. 13/2021-CT dated 1st May 2021*

8. The due date for furnishing statement of TDS deducted/ TCS Collected for the month of April, 2021 in GSTR-7/ Form GSTR-8 has been extended till 31st May, 2021 vide Notification No. 14/2021-CT dated 1st May 2021.
9. The due date of filing return by Input Service Distributor/ non-resident taxable person for the month of April, 2021 in Form GSTR-6/ Form GSTR-5 has been extended till 31st May, 2021 vide Notification No. 14/2021-CT dated 1st May 2021
10. CBIC has declared relaxation in time limit for various compliance falling during the period from 15th April 2021 to 30th May 2021 and the date for compliance has been extended till 31st May 2021 vide Notification No. 14/2021-CT dated 1st May 2021
  - (a) Time limit for completion or compliance of any action, by any authority or by any person, falling during the period from the 15th April, 2021 to the 30th May, 2021 has been extended till 31st May, 2021.
  - (b) The time limit for completion of any proceeding or passing of any order or issuance of any notice, intimation, notification, sanction or approval or such other action, by whatever name called by any authority, commission or tribunal, falling during the period from the 15th April, 2021 to the 30th May, 2021 has been extended till 31st May, 2021.
  - (c) The time limit for filing of any appeal, reply or application or furnishing of any report, document, return, statement or such other record, by whatever name called, falling during the period from the 15th April, 2021 to the 30th May, 2021 has been extended till 31st May, 2021.
  - (d) The time limit for verification of application for fresh GST registration and approval/ grant of GST registration under rule 9 of CGST Rules, falling during the period from the 1st May, 2021 to the 31st May, 2021 has been extended till 15th June, 2021.
  - (e) Where a notice has been issued for rejection of refund claim and where the time limit for issuance of order u/s 54(5) read with sec 54(7) falls during the period from 15th April, 2021 to the 30th May, 2021, in such cases the time limit for issuance of the said order has been extended till 15 days after the receipt of reply to the notice from the registered person or the 31st day of May, 2021, whichever is later.



# GST COMPLIANCE RELAXATION IN GST REGIME ISSUED ON 1<sup>ST</sup> MAY, 2021

**TEAM TRD**

In a bid to provide relief to COVID-19 hit businesses, the finance ministry had on 1<sup>st</sup> May, 2021 notified changes in the compliance requirements under the Goods and Services Tax (GST) regime. This includes *extension of the deadline for filing GST returns, reduced quantum of late fee, and even late fee waiver in some cases for the months of March and April 2021.*

## 1. Waiver of Late Fees for delayed filing of GSTR 3B Return for the month of March & April 2021 [Notification No. 9/2021-CT dated 1st May 2021]:

Late fees for delayed filing of GSTR-3B return has been waived for different classes of taxpayers as under:

### Turnover Exceeding Rs 5 Crs in Preceding FY (Monthly) - GSTR 3B

| Month      | Date without late fees | NIL Interest   | 9% Interest            | 18% Interest        |
|------------|------------------------|----------------|------------------------|---------------------|
| March 2021 | 5th May 2021           | Not Applicable | If filed till 5th May  | Filed post 5th May  |
| April 2021 | 4th June 2021          | Not Applicable | If filed till 4th June | Filed post 4th June |

### Turnover up to Rs 5 Crs in Preceding FY (Monthly) - GSTR 3B

| Month      | Date without late fees | NIL Interest           | 9% Interest           | 18% Interest         |
|------------|------------------------|------------------------|-----------------------|----------------------|
| March 2021 | 20th May 2021          | If filed till 5th May  | 6th May to 20th May   | Filed post 20th May  |
| April 2021 | 19th June 2021         | If filed till 4th June | 5th June to 19th June | Filed post 19th June |

### Turnover up to Rs 5 Crs in Preceding FY (Quarterly - QRMP Scheme) - GSTR 3B

| Quarter                               | Date without late fees | NIL Interest      | 9% Interest          | 18% Interest        |
|---------------------------------------|------------------------|-------------------|----------------------|---------------------|
| Jan - Mar 2021<br>(Category 1-States) | 22nd May 2021          | Till 7th May 2021 | 8th May to 22nd May  | Filed post 22nd May |
| Jan - Mar 2021<br>(Category 2-States) | 24th May 2021          | Till 9th May 2021 | 10th May to 24th May | Filed post 24th May |

## 2. Furnishing the statement of outward supplies in FORM GSTR-1 or Form- IFF [Notification No. 12/2021-CT & Notification No. 13/2021 both dated 1st May 2021]:

In terms of Notification No. 12/2021-CT dated 01.05.2021, the due date for filing statement of outward supplies in FORM GSTR-1 for the month of April 2021 is extended to 26th May 2021.

Further by virtue of Notification No. 13/2021-CT dated 01.05.2021, the due date for furnishing details of outward supplies for the month of April 2021 is extended to 28th May 2021.

### Waiver of late fees for filing of GSTR 1, IFF and GSTR 4

| Return | March 2021     | April 2021    |
|--------|----------------|---------------|
| GSTR 1 | Not Applicable | 26th May 2021 |
| IFF    | Not Applicable | 28th May 2021 |

### 3. Extension in due date for furnishing return by composition taxpayers [Notification No. 10/2021-CT dated 1st May 2021]:

The due date for furnishing return by composition taxpayers on an annual basis in FORM GSTR-4 for the FY 2020-21 has been extended till the 31st May, 2021.

| Composition Dealer | GSTR 4 (Quarterly) | Financial Year 2020-21 | 31st May 2021 |
|--------------------|--------------------|------------------------|---------------|
|--------------------|--------------------|------------------------|---------------|

### 4. Extension in due date for furnishing the declaration in ITC-04 [Notification No. 11/2021-CT dated 1st May 2021]:

The due date for furnishing the declaration in Form ITC-04 in respect of goods dispatched to a job worker or received from a job worker for the quarter Jan'21-Mar'21 has been extended to 31st May, 2021.

| Job Work | ITC 04 | Quarter Jan 21 to Mar 21 | 31st May, 2021 |
|----------|--------|--------------------------|----------------|
|----------|--------|--------------------------|----------------|

### 5. Reduction in Interest Rate for delayed payment of GST [Notification No. 8/2021-CT dated 1st May 2021]:

### 6. Relaxation in restriction on availment of Input Tax Credit under rule 36(4) [Notification No. 13/2021-CT dated 1st May 2021]:

Rule 36(4) restricts the availment of input tax credit beyond 5% of the ITC reflected in Form GSTR 2A/2B.

However said restriction will not apply in individual months of April & May 2021, but will apply cumulatively for the period April & May, 2021 and the return in FORM GSTR-3B for the month of May, 2021 is to be furnished with the cumulative adjustment of input tax credit for those months.

### 7. Extension of due date for furnishing TDS/TCS Returns [Notification No. 14/2021-CT dated 1st May 2021]:

The due date for furnishing statement of TDS deducted/ TCS Collected for the month of April, 2021 in Form GSTR-7/ Form GSTR-8 have been extended till 31st May, 2021.

### 8. Extension of due date for filing return by Input Service Distributor/ non-resident taxable person [Notification No. 14/2021-CT dated 1st May 2021]:

The due date of filing return by Input Service Distributor/ non-resident taxable person for the month of April, 2021 in Form GSTR-6/ Form GSTR-5 have been extended till 31st May, 2021.

9. Relaxation of time limit for compliance (which falls during the period from 15th April 2021 to 30th May 2021 till 31st May 2021) under GST Law [Notification No. 14/2021-CT dated 1st May 2021]:

| Particulars   | Original Date                    | Revised Date  |
|---|----------------------------------|---------------|
| Completion of any proceeding or passing of any order or issuance of any notice, intimation, notification, sanction or approval or such other action, by whatever name called, by any authority, commission or tribunal, by whatever name called | 15th April 2021 to 30th May 2021 | 31st May 2021 |
| Filing of any appeal, reply or application or furnishing of any report, document, return, statement or such other record, by whatever name called   | 15th April 2021 to 30th May 2021 | 31st May 2021 |

### Non-applicability of above extensions in specified cases as under:

The aforesaid extensions of time shall not be applicable in following cases:

- For determination of "Time of Supply" as envisaged in Chapter IV of CGST Act, 2017;
- For withdrawal from composition scheme where turnover exceeds threshold limits as prescribed under section-10(3);
- For application for New Registration u/s 25 or reg. of casual taxable person u/s 27
- For issuance of Tax Invoice u/s 31
- For filing of GSTR-1 u/s 37, Levy of Late Fees u/s 47 or levy of Interest for delayed filing of returns u/s 50 except as notified separately as per above paragraphs.
- Power of arrest u/s 69; Liability of partners of firm to pay tax envisaged u/s 90.
- Levy of Penalty for certain offences u/s 122
- Detention, seizure and release of goods and conveyances in transit u/s 129.
- Filing of return u/s 39 except sec 39(3), 39(4) and 39(5)
- For compliance of E-way bill related provision u/s 68 i.e. generation of e-way bill, inspection of goods in movement u/s 68 etc.

## Summary

| Notification No.   | Return/Form Type                      | Period                   | Relief in Interest for Nos. of days   |
|--|---------------------------------------|--------------------------|---|
| 08/2021 - Central Tax<br><br>(Reduction in rate of Interest for delayed payment) GSTR 3B | Turnover > 5Cr                        | March 2021 & April 2021  | 9% p.a for first 15days from Due Date<br>18% p.a thereafter                         |
|  | Turnover upto 5Cr<br>(Monthly Filers) | March 2021 & April 2021  | Nil for First 15 days from Due Date; 9% p.a for next 15 days;<br>18% p.a thereafter |
|  | Turnover upto 5Cr<br>(QRMP Scheme)    | Jan To Mar-21<br>Quarter | Nil for First 15 days from Due Date; 9% p.a for next 15 days;<br>18% p.a thereafter |
| 09/2021 - Central Tax<br>(Late Fees Waiver)  | GSTR 3B<br>Turnover > 5Cr             | March 2021 & April 2021  | 15 days from due date of furnishing return  |
|  | Turnover upto 5Cr<br>(Monthly Filers) | March 2021 & April 2021  | 30 days from due date of furnishing return  |
|  | Turnover upto 5Cr<br>(QRMP Scheme)    | Jan To Mar-21<br>Quarter | 30 days from due date of furnishing return  |

| Notification No.  | Return/Form Type  | Period                             | Original Due Date  | Extended Due Date         |
|---|---|------------------------------------|--|---------------------------|
| 10/2021 - Central Tax                                   | Form GSTR - 4<br>(Composition Dealer)   | FY 2020-21                         | 30 <sup>th</sup> April 2021  | 31 <sup>st</sup> May 2021 |
| 11/2021 - Central Tax                                   | Form GST ITC - 04<br>(Job Work)   | FY 2020-21                         | 25 <sup>th</sup> April 2021  | 31 <sup>st</sup> May 2021 |
| 12/2021 - Central Tax                                   | GSTR 1  | Month of April                     | 11th May 2021  | 26th May 2021             |
| 13/2021 - Central Tax                                   | IFF   | Month of April                     | 13th May 2021  | 28th May 2021             |
|   | Relaxation ITC Availment<br>Rule 36(4)<br>i.e.<br>105% Cap on availment of ITC                          | Month of April                     | Rule 36(4) adjustment for Apr-21 & May-21 applicable on Cumulative basis in GTR 3B of May-21 |                           |
| 14/2021 - Central Tax<br><br>(Extension of Time Limits) | Completion of Proceeding or passing of order or issuance of notice, intimation, Filing of Appeal, Reply | 15th April, 2021 to 30th May, 2021 | Extension up-to 31 May, 21   |                           |
|   | Rule 9 (Registrations) - CGST, 2017 actions   | 1st May, 2021 to 31st May, 2021    | Extension up-to 15 June, 21  |                           |
|   | GST Refund Order u/s 54(5)  | 15th April, 2021 to 30th May, 2021 | 15 days after the receipt of reply or 31 May, 21 whichever is Later                          |                           |

# TAX UPDATES, NOTIFICATIONS AND CIRCULARS

## INDIRECT TAX

### GST NOTIFICATIONS AND CIRCULARS

#### Central Tax

##### **Notification No. 07/2021 – Central Tax**

**Dated – 27<sup>th</sup> April, 2021**

##### **Seeks to make second amendment (2021) to CGST Rules**

Government, on the recommendations of the Council, made the rules to amend the Central Goods and Services Tax Rules, 2017. After the third proviso the following proviso shall be inserted in rule 26 in sub-rule (1) of Central Goods and Services Tax Rules, 2017

Taxpayers registered under Companies Act, 2013, can now file their **Form GSTR-1/IFF** and **GSTR-3B** with EVC also, apart from using DSC, on GST Portal., during the period from the 27th April, 2021 to the 31st May, 2021 under section 39.

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-07-central-tax-english-2021.pdf>

### CUSTOMS NOTIFICATIONS AND CIRCULARS

#### Tariff Notification

##### **Notification No. 27/2021- Customs**

**Dated – 8<sup>th</sup> April, 2021**

##### **Seeks to exempt customs duty on import of Remdesivir injection, Remdesivir API and Beta Cyclodextrin (SBEB CD) used in the manufacture of Remdesivir, up to 31st October, 2021**

Central Government has exempted the goods specified in column (3) of the Table below, falling within the Chapter, heading, sub-heading or tariff item of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) specified in column (2) of the said Table, when imported into India, from the whole of the duty of customs leviable thereon under the said First Schedule:

**Table**

| <b>S.No.</b> | <b>Chapter or heading or sub-heading or tariff item</b> | <b>Description of goods</b>  |
|--------------|---|--|
| (1)          | (2)   | (3)  |
| 1            | 29  | Remdesivir Active Pharmaceutical Ingredients.  |
| 2            | 29  | Beta Cyclodextrin (SBEB CD) used in manufacture of Remdesivir, subject to the condition that the importer follows the procedure set out in the Customs (Import of Goods at Concessional Rate of Duty) Rules, 2017. |
| 3            | 30  | Injection Remdesivir   |

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-tarr2021/cs27-2021.pdf>

**Notification No. 28/2021- Customs**

**Dated – 24<sup>th</sup> April, 2021**

**Seeks to exempt customs duty and health cess on import of oxygen, oxygen related equipment and COVID-19 vaccines, up to 31st July, 2021**

Central Government has exempted the goods specified in column (3) of the Table below, falling within the Chapter, heading, sub-heading or tariff item of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) specified in column (2) of the said Table, when imported into India, from the whole of the duty of customs leviable thereon under the said First Schedule and the whole of health cess leviable thereon under section 141 of the said Finance Act:

**Table**

| <b>S.No.</b> | <b>Chapter or heading or sub-heading or tariff item</b> | <b>Description of goods</b>  |
|--------------|---|--|
| (1)          | (2)   | (3)  |
| 1            | 9019 20, 9804   | Oxygen concentrator including flow meter, regulator, connectors and tubings.   |
| 2            | 2804 40   | Medical Oxygen   |
| 3            | 8421 39   | Vacuum Pressure Swing Absorption (VPSA) and Pressure Swing Absorption (PSA) oxygen plants, Cryogenic oxygen Air Separation Units (ASUs) producing liquid/gaseous oxygen. |
| 4            | 7311  | Oxygen canister.   |
| 5            | 9018  | Oxygen filling systems.  |
| 6            | 7311  | Oxygen storage tanks   |

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-tarr2021/cs28-2021.pdf>

## **Anti-Dumping Duty**

### **Notification No. 23/2021-Customs (ADD)**

**Dated – 20<sup>th</sup> April, 2021**

**Seeks to amend notification No. 50/2018-Customs (ADD) dated 5th October, 2018 imposing anti-dumping duty on imports of nylon filament yarn originated in or exported from Vietnam and European Union, to exclude goods of certain specification from the scope of the anti-dumping duty**

Central Government has made the amendment in the notification No. 50/2018-Customs (ADD) in this notification, in the footnote after the Table, for the word and figure “1650 decitex”, the word and figure “10000 decitex” shall be substituted.

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd23-2021.pdf>

### **Notification No. 24/2021-Customs (ADD)**

**Dated – 26<sup>th</sup> April, 2021**

**Seeks to levy anti dumping duty on imports of Polytetrafluoroethylene (PTFE) originating in or exported from Korea RP, to prevent the circumvention of anti dumping duty levied on Polytetrafluoroethylene (PTFE) originating in or exported from Russia vide notification No. 23/2016-Customs(ADD) dated 6th June, 2016. In the notification No. 24/2021-Customs (ADD), dated the 26th April, 2021**

(1) in serial number 1, in columns (5) and (6), for “Russia”, read “Korea RP”;

(2) in serial number 2, in columns (5) and (6), for “Russia”, read “Korea RP”;

(3) in serial number 3, -

(i) in column (5), for “Russia”, read “Korea RP, Russia”;

(ii) in column (6), for “Russia”, read “Korea RP”.

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd24C.pdf>

### **Notification No. 25/2021-Customs (ADD)**

**Dated – 26<sup>th</sup> April, 2021**

**Seeks to levy anti dumping duty on imports of Polytetrafluoroethylene (PTFE) Products originating in or exported from China PR, to prevent the circumvention of anti dumping duty levied on Polytetrafluoroethylene (PTFE) originating in or exported from China PR vide notification No. 36/2017-Customs(ADD) dated 28 July, 2017**

Central Government has imposed anti dumping duty on imports of Polytetrafluoroethylene (PTFE), the description of which is specified in column, falling under tariff heading of the First Schedule to the Customs Tariff Act, specified in the corresponding entry, originating in or exported from China PR and imported into India, at the rate equal to the amount specified in the corresponding entry.

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd25-2021.pdf>

**Notification No. 26/2021-Customs (ADD)**

**Dated – 27<sup>th</sup> April, 2021**

**Seeks to impose definitive anti-dumping duty on import of 1-phenyl-3-methyl-5-Pyrazolone originating in or exported from China PR for a period of 5 years from the date of imposition of provisional ADD, i.e. 9th June, 2020**

Central Government has imposed anti-dumping duty for a period of 5 years from the date of imposition of provisional ADD, i.e. 9th June, 2020 on import of 1-phenyl-3-methyl-5-Pyrazolone, the description of which is specified in column, falling under tariff heading of the First Schedule to the Customs Tariff Act, specified in the corresponding entry, originating in or exported from China PR, imported into India, at the rate equal to the amount specified in the corresponding entry.

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd26-2021.pdf>

**Notification No. 27/2021-Customs (ADD)**

**Dated – 27<sup>th</sup> April, 2021**

**Seeks to rescind the notification No. 43/2020-Customs(ADD) dated the 2nd December, 2020**

Central Government has rescinded the notification No. 43/2020-Customs (ADD), dated the 2nd December, 2020, except as respects things done or omitted to be done before such rescission.

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd27-2021.pdf>

**Notification No. 28/2021-Customs (ADD)**

**Dated – 27<sup>th</sup> April, 2021**

**Seeks to impose definitive anti-dumping duty on imports of Toluene Di-isocyanate (TDI) having isomer content in the ratio of 80:20, originating in or exported from European Union, Saudi Arabia, Chinese Taipei and UAE, for a period of 5 years from the date of imposition of provisional ADD, i.e. 2nd Dec, 2020**

Central Government has imposed anti-dumping duty on imports of Toluene Di-isocyanate (TDI) having isomer content in the ratio of 80:20, the description of which is specified in column, falling under tariff heading of the First Schedule to the Customs Tariff Act, specified in the corresponding entry, originating in or exported from European Union, Saudi Arabia, Chinese Taipei and UAE and imported into India, at the rate equal to the amount specified in the corresponding entry.

The anti-dumping duty imposed under this notification shall be levied for a period of five years (unless revoked, superseded or amended earlier) from the date of imposition of the provisional anti-dumping duty, that is, the 2nd December, 2020, and shall be payable in Indian currency.

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd28-2021.pdf>



# DIRECT TAX

## **Notification No. 32/2021**

### **Income Tax (10<sup>th</sup> Amendment) Rules, 2021**

**Dated - 15<sup>th</sup> April, 2021**

Central Board of Direct Taxes has made further amendments in the Income Tax Rules, 1962. These rules may be called the Income-tax (10th Amendment) Rules, 2021.

In rule 2DB of in the Income Tax Rules, 1962 the following proviso shall be inserted:

“Provided that the provisions of clause (iii) shall not apply to any payment made to creditors or depositors for loan taken or borrowing for the purposes other than for making investment in India;”

For more details, please follow: [https://www.incometaxindia.gov.in/communications/notification/notification\\_32\\_2021.pdf](https://www.incometaxindia.gov.in/communications/notification/notification_32_2021.pdf)

## **Notification No. 33/2021**

### **Sovereign Wealth Fund**

**Dated - 19<sup>th</sup> April, 2021**

Central Government has specified the sovereign wealth fund, namely, the Norfund, Government of Norway, as the specified person for the purposes of the clause in respect of the investment made by it in India on or after the date of publication of this notification in the Official Gazette but on or before the 31st day of March, 2024, subject to the fulfilment of the following conditions:

- i. the assessee shall file return of income, for all the relevant previous years falling within the period beginning from the date in which the said investment has been made and ending on the date on which such investment is liquidated, on or before the due date specified for furnishing the return of income under sub-section (1) of section 139 of the Act;
- ii. the assessee shall get its books of account audited for the previous years referred to in clause (i) by any accountant specified in the Explanation below sub-section (2) of section 288 of the Act and furnish the Audit Report in the format annexed as Annexure to this notification herewith at least one month prior to the due date specified for furnishing the return of income under sub-section (1) of section 139 of the Act;
- iii. the assessee shall furnish a quarterly statement within one month from the end of each quarter electronically in Form II as annexed to the Circular No 15 of 2020, dated the 22nd July, 2020 with F. No. 370142/26/2020- TPL, issued by the Ministry of Finance, Department of Revenue, Central Board of Direct Taxes (Tax Policy and Legislation Division), in respect of each investment made by it during the said quarter

For more details, please follow: [https://www.incometaxindia.gov.in/communications/notification/notification\\_33\\_2021.pdf](https://www.incometaxindia.gov.in/communications/notification/notification_33_2021.pdf)

**Notification No. 34/2021**

**Pension Fund**

**Dated – 22<sup>nd</sup> April, 2021**

Central Government has specified the pension fund, the Canada Pension Plan Investment Board, as the specified person for the purposes of the said clause in respect of the eligible investment made by it in India on or after the date of publication of this notification in the Official Gazette but on or before the 31st day of March, 2024 subject to the fulfilment of the following conditions:

- i. the assessee shall file return of income, for all the relevant previous years falling within the period beginning from the date in which the said investment has been made and ending on the date on which such investment is liquidated, on or before the due date specified for furnishing the return of income under subsection (1) of section 139 of the Act;
- ii. the assessee shall furnish along with such return a certificate in Form No. 10BBC in respect of compliance to the provisions of clause (23FE) of section 10 of the Act, during the financial year, from an accountant as defined in the Explanation below sub-section (2) of section 288 of the Act, and as per the provisions of clause (vi) of rule 2DB of the Income-tax Rules, 1962;
- iii. the assessee shall intimate the details in respect of each investment made by it in India during the quarter within one month from the end of the quarter in Form No. 10BBB, as per the provisions of clause (v) of rule 2DB

For more details, please follow: [https://www.incometaxindia.gov.in/communications/notification/notification\\_34\\_2021.pdf](https://www.incometaxindia.gov.in/communications/notification/notification_34_2021.pdf)

**Notification No. 35/2021**

**Dated – 22<sup>nd</sup> April, 2021**

Central Government hereby specifies the pension fund, the Canada Pension Plan Investment Board Private Holdings (4) Inc., as the specified person for the purposes of the said clause in respect of the eligible investment made by it in India on or after the date of publication of this notification in the Official Gazette but on or before the 31st day of March, 2024 subject to the fulfilment of the following conditions:

- i. the assessee shall file return of income, for all the relevant previous years falling within the period beginning from the date in which the said investment has been made and ending on the date on which such investment is liquidated, on or before the due date specified for furnishing the return of income under subsection (1) of section 139 of the Act;
- ii. the assessee shall furnish along with such return a certificate in Form No. 10BBC in respect of compliance to the provisions of clause (23FE) of section 10 of the Act, during the financial year, from an accountant as defined in the Explanation below sub-section (2) of section 288 of the Act and as per clause (vi) of rule 2DB of the Income-tax Rules, 1962;
- iii. the assessee shall intimate the details in respect of each investment made by it in India during the quarter within one month from the end of the quarter in Form No. 10BBB, as per clause (v) of rule 2DB of the Income-tax Rules, 1962;
- iv. the assessee shall maintain a segmented account of income and expenditure in respect of such investment which qualifies for exemption under clause (23FE) of section 10 of the Act

For more details, please follow: [https://www.incometaxindia.gov.in/communications/notification/notification\\_35\\_2021.pdf](https://www.incometaxindia.gov.in/communications/notification/notification_35_2021.pdf)

**Notification No. 36/2021**

**Notification related to Maa Umiya Temple**

**Dated – 23<sup>rd</sup> April, 2021**

Central Government has notified “Maa Umiya Temple managed by Vishv Umiya Foundation at Jaspur to be place of artistic importance and a place of public worship of renown throughout the state of Gujarat State for the purposes of the said section from the Financial Year 2021-2022 relevant to the Assessment Year 2022-2023.

For more details, please follow: [https://www.incometaxindia.gov.in/communications/notification/notification\\_36\\_2021.pdf](https://www.incometaxindia.gov.in/communications/notification/notification_36_2021.pdf)

**Notification No. 37/2021**

**Income Tax (11th Amendment) Rules, 2021**

**Dated – 26<sup>th</sup> April, 2021**

CBDT has made further amendments the Income-tax Rules, 1962. These rules may be called the Income-tax (11th Amendment) Rules, 2021

The following proviso shall be inserted in rule 2DB after clause (ii) of in the Income Tax Rules, 1962:

“Provided that the condition in clause (ii) shall be deemed to have been satisfied with respect to assets being administered or invested, if the following conditions are satisfied

- (a) value of such assets is not more than ten per cent. of the total value of the assets administered or invested by such fund;
- (b) such assets are wholly owned directly or indirectly by the Government of a foreign country; and
- (c) such assets vest in the Government of such foreign country upon dissolution.

after the proviso to clause (iii), the following proviso shall be inserted:

Provided further that the provisions of clause (iii) shall not apply to earning from the assets referred to in the proviso of clause (ii), if the said earning is credited either to the account of the Government of that foreign country or to any other account designated by such Government so that no portion of the earnings inures any benefit to any private person.

In the principal rules, in the APPENDIX II, for Form No. 10BBA the following Form shall be substituted.

For more details, please follow: [https://www.incometaxindia.gov.in/communications/notification/notification\\_37\\_2021.pdf](https://www.incometaxindia.gov.in/communications/notification/notification_37_2021.pdf)

**Notification No. 38/2021**

**Notification related to passing of any order for assessment or reassessment**

**Dated – 27<sup>th</sup> April, 2021**

Central Government has specified for the purpose of sub-section (1) of section 3 of the said Act that

Where the specified Act is the Income-tax Act, 1961 (43 of 1961) (hereinafter referred to as the Income-tax Act) and

- (a) the completion of any action, referred to in clause (a) of sub-section (1) of section 3 of the said Act, relates to passing of any order for assessment or reassessment under the Income-tax Act, and the time limit for completion of such action under section 153 or section 153B thereof, expires on the 30th April, 2021 due to its extension by the said notifications, such time limit shall further stand extended to the 30th June, 2021;

- (b) the completion of any action, referred to in clause (a) of sub-section (1) of section 3 of the said Act, relates to passing of an order under sub-section (13) of section 144C of the Income-tax Act or issuance of notice under section 148 as per time-limit specified in section 149 or sanction under section 151 of the Income-tax Act, and the time limit for completion of such action expires on the 30th day of April, 2021 due to its extension by the said notifications, such time limit shall further stand extended to the 30th day of June, 2021.

Where the specified Act is the Chapter VIII of the Finance Act, 2016 (28 of 2016) (hereinafter referred to as the Finance Act) and the completion of any action, referred to in clause (a) of sub-section (1) of section 3 of the said Act, relates to sending an intimation under sub-section (1) of section 168 of the Finance Act, and the time limit for completion of such action expires on the 30th day of April, 2021 due to its extension by the said notifications, such time limit shall further stand extended to the 30th day of June, 2021.

For more details, please follow: [https://www.incometaxindia.gov.in/communications/notification/notification\\_38\\_2021.pdf](https://www.incometaxindia.gov.in/communications/notification/notification_38_2021.pdf)

### **Notification No. 39/2021**

#### **Date Extension**

**Dated - 27<sup>th</sup> April, 2021**

Central Government has made the following amendments in the notification number 85/2020 which was issued on 27th October, 2020:

- i. in clause (b), for the figures, letters and words “30th April, 2021”, the figures, letters and words “30th June, 2021” shall be substituted;
- ii. In clause (c), for the figures, letters and words “1st May, 2021”, the figures, letters and words “1st July, 2021” shall be substituted.

For more details, please follow: [https://www.incometaxindia.gov.in/communications/notification/notification\\_39\\_2021.pdf](https://www.incometaxindia.gov.in/communications/notification/notification_39_2021.pdf)

### **Notification No. 3 of 2021**

**Dated - 30<sup>th</sup> April, 2021**

#### **Format, Procedure and Guidelines for submission of Statement of Financial Transactions (SFT) for Depository Transactions**

Section 285BA of the Income Tax Act, 1961 and Rule 114E requires specified reporting persons to furnish statement of financial transaction (SFT).

For the purposes of pre-filling the return of income, CBDT has issued Notification No. 16/2021 dated 12.03.2021 to include reporting of information relating to Capital gains on transfer of listed securities or units of Mutual Funds. The new sub rule 5A of rule 114E specifies that the information shall be furnished in such form, at such frequency, and in such manner, as may be specified by the Director General of Income Tax (Systems), with the approval of the Board.

The guidelines for preparation and submission of Statement of Financial Transactions (SFT) information are enclosed in Annexure A and Annexure B respectively. The format of control statement to be submitted by the Designated Director is given in Annexure C. The data structure and validation rules are enclosed in Annexure D and Annexure E respectively. Notification No. 3 of 2018 dated 05.04.2018 may be referred for the procedure for registration.

For more details, please follow: [https://incometaxindia.gov.in/communications/notification/notification-3\\_2021\\_depository\\_transaction.pdf](https://incometaxindia.gov.in/communications/notification/notification-3_2021_depository_transaction.pdf)

**Notification No. 3 of 2021**

**Dated – 30<sup>th</sup> April, 2021**

**Format, Procedure and Guidelines for submission of Statement of Financial Transactions (SFT) for Mutual Fund Transactions by Registrar and Share Transfer Agent**

Section 285BA of the Income Tax Act, 1961 and Rule 114E requires specified reporting persons to furnish statement of financial transaction (SFT).

For the purposes of pre-filling the return of income, CBDT has issued Notification No. 16/2021 dated 12.03.2021 to include reporting of information relating to Capital gains on transfer of units of Mutual Funds. The new sub rule 5A of rule 114E specifies that the information shall be furnished in such form, at such frequency, and in such manner, as may be specified by the Director General of Income Tax (Systems), with the approval of the Board.

The guidelines for preparation and submission of Statement of Financial Transactions (SFT) information are enclosed in Annexure A and Annexure B respectively. The format of control statement to be submitted by the Designated Director is given in Annexure C. The data structure and validation rules are enclosed in Annexure D and Annexure E respectively. Notification No. 3 of 2018 dated 05.04.2018 may be referred for the procedure for registration.

For more details, please follow: [https://incometaxindia.gov.in/communications/notification/notification\\_4\\_2021\\_mutual\\_fund\\_transaction.pdf](https://incometaxindia.gov.in/communications/notification/notification_4_2021_mutual_fund_transaction.pdf)

**Circular No. 08 /2021**

**Dated – 30<sup>th</sup> April, 2021**

**Extension of time lines related to certain compliances by the Taxpayers under the Income-tax Act 1961**

CBDT has extended the deadline for various Income Tax Compliances due to COVID-19 Pandemic.

| <b>Topic</b>  | <b>Previous Date</b>   | <b>Date Extended</b>  |
|---|--|---|
| Appeal to Commissioner (Appeals) under Chapter XX of the Act  | 1st April, 2021 or thereafter  | within the time provided under that Section or by 31st May, 2021, whichever is later; |
| Objections to Dispute Resolution Panel (DRP) under Section 144C of the Act  | 1st April, 2021 or thereafter  | within the time provided under that Section or by 31st May, 2021, whichever is later; |
| Income Tax return in response to notice under Section 148 of the Act,   | 1st April, 2021 or thereafter  | within the time allowed under that notice or by 31st May, 2021, whichever is later;   |
| Filing of belated return under sub-section (4) and revised return under sub-section (5) of Section 139 of the Act, for Assessment Year 2020-21      | on or before 31st March, 2021  | on or before 31st May, 2021   |
| Payment of tax deducted under Section 194-IA, Section 194-IB and Section 194M of the Act, and filing of challan-cum-statement for such tax deducted | which are required to be paid and furnished by 30th April, 2021 (respectively) | may be paid and furnished on or before 31st May, 2021                                 |
| Statement in Form No.61, containing particulars of declarations received in Form No.60  | on or before 30th April, 2021,   | on or before 31st May, 2021   |

# PRESS RELEASE

## DIRECT TAX

### Government extends certain timelines in light of the raging pandemic

**24<sup>th</sup> April, 2021**

In view of the severe Covid-19 pandemic raging unabated across the country affecting the lives of our people, and in view of requests received from taxpayers, tax consultants & other stakeholders that various time barring dates, which were earlier extended to 30th April, 2021 by various notifications, as well as under the Direct Tax Vivad se Vishwas Act, 2020, may be further extended, the Government has extended certain timelines today.

In the light of several representations received (supra) and to address the hardship being faced by various stakeholders, the Central Government has decided to extend the time limits to 30th June, 2021 in the following cases where the time limit was earlier extended to 30th, April 2021 through various notifications issued under the Taxation and Other Laws (Relaxation) and Amendment of Certain Provisions Act, 2020, namely:-

- (i) Time limit for passing of any order for assessment or reassessment under the Income-tax Act, 1961 (hereinafter called 'the Act') the time limit for which is provided under section 153 or section 153B thereof;
- (ii) Time limit for passing an order consequent to direction of DRP under subsection (13) of section 144C of the Act;
- (iii) Time limit for passing an order consequent to direction of DRP under subsection (13) of section 144C of the Act;
- (iv) Time Limit for sending intimation of processing of Equalisation Levy under sub-section (1) of section 168 of the Finance Act 2016.
- (v) It has also been decided that time for payment of amount payable under the Direct Tax Vivad se Vishwas Act, 2020, without an additional amount, shall be further extended to 30th June, 2021.

Notifications to extend the above dates shall be issued in due course.

# JUDGEMENTS

## INDIRECT TAX

### **12% GST on Supply and Import of Pharmaceutical Reference Standards prepared Laboratory Reagents: AAR**

#### ***Fact of the Case***

The applicant, Kaustubha Scientific Research is a registered person under the provisions of the Central Goods and Services Tax Act, 2017 as well as the Karnataka Goods and Services Tax Act, 2017 (hereinafter referred to as the "CGST Act" and the "KGST Act/SGST Act respectively engaged in the distribution of Pharmaceutical Reference Standards from Pharmacopoeias like European Pharmacopoeia (EP), British Pharmacopoeia (BP), Indian Pharmacopoeia (IP), Japanese Pharmacopoeia (JP).

The applicant is seeking advance ruling on the applicability of entry Notification No. 01/2017-IT (R) for their product prepared laboratory reagents/ Pharmaceutical Reference Standards. The applicant has sought the advance ruling on the issue whether the applicable entry for prepared laboratory reagents/ Pharmaceutical Reference Standards in the Notification No. 01/2017-IT (R) is Sr. No. 80 of Schedule II, attracting a levy of 12% or Sr. No. 453 of Schedule III attracting a levy of 18 %.

The applicant has sought the advance ruling on the issue whether the applicable entry for prepared laboratory reagents/ Pharmaceutical Reference Standards in the Notification No. 01/2017-IT (R) is Sr. No. 80 of Schedule II, attracting a levy of 12% or Sr. No. 453 of Schedule III attracting a levy of 18 %.

#### ***Decision of the Case***

The Coram ruled that the Pharmaceutical Reference Standards (Prepared Laboratory Reagents) imported and supplied by the Appellant and classified under Tariff Item 3822 00 90 of the Customs Tariff Act, 1975 is covered under Entry No. 80 of Schedule-II to Notification No. 1/2017-Integrated Tax (Rate), dated 28th

June 2017 attracting a levy of Integrated Tax at the rate of 12%.

***The Karnataka Authority of Advance Ruling (AAR) ruled that 12% GST is applicable on supply and import of Pharmaceutical Reference Standards prepared Laboratory Reagents.***  
.....

### **18% GST on Services provided to TANGEDCO for carrying out Retrofitting Work for strengthening NPKRR Maaligai against Seismic and Wind effect: AAR**

#### ***Fact of the Case***

The Applicant, PSK Engineering Construction & Co stated that they have been awarded the contract to carry out Retrofitting works for strengthening the NPKRR Maaligai against Seismic & wind effect and Modification of Elevation of the said building in TNEB Headquarter. The applicant has sought the advance ruling in respect of the GST to be charged on providing works contract services to TANGEDCO for carrying out retrofitting work for strengthening the NPKRR Maaligai against seismic and wind effect and modification of elevation in TNEB headquarters building at Chennai.

#### ***Decision of the Case***

The Coram ruled that The rate of GST to be charged on the services provided by the applicant to TANGEDCO for carrying out retrofitting work for strengthening the NPKRR Maaligai against seismic and wind effect and modification of elevation in TNEB headquarters building at Chennai is 18% (9%CGST and 9% SGST) as per SL.No.3(xii) of Notification dated June 28, 2017, as amended.

***The Tamil Nadu Authority of Advance Ruling (AAR) ruled that 18% GST is applicable on services provided to Tamilnadu Generation and Distribution Company Ltd. (TANGEDCO) for carrying out retrofitting work for strengthening NPKRR Maaligai against seismic and wind effects.***



**Waste Collection, Segregation, Treatment, Transportation, Disposal Services under Service Agreements not exempted from GST : AAAR**

***Fact of the Case***

The appellant, M/s. Sumeet Facilities Limited is engaged in waste collection, segregation, treatment, transportation, and disposal services.

The appellant sought the advance ruling on the issue in respect of the Classification of services and whether the activity of waste collection, segregation, treatment, transportation and disposal services carried out by the Applicant under the Service Agreements entered with both concessionaires is exempted from Goods and Services Tax in terms of entry no.3 of the Notification 12/ 2017- Central Tax (Rate) dated June 28, 2017.

The AAR ruled that the supply of services by the applicant relating to waste collection, segregation, treatment, transportation and disposal services under the Service Agreements entered with both concessionaires are classified under SAC 9994 in terms of Notification No. 11/ 2017 C.T. (Rate) dated June 28, 2017.

The Authority further ruled that the activity undertaken by the applicant under the Service Agreements entered with both concessionaires are not exempted from Goods and Services Tax in terms of entry no.3 of the Notification 12/ 2017-Central Tax dated June 28, 2017 on the grounds that the entry applies to Pure services provided to the defined clause of service recipients and the services are to be of any activity in relation to any function entrusted to a Panchayat/ Municipality under Article 243 G/ 243W of the Constitution.

The appellant has challenged the AAR's order on the ground that a supplier in the capacity of a recipient of his inward supplies only and not vice versa is only eligible to seek an advance ruling and not a mere recipient of goods or services in question even when he may otherwise be a supplier of his own goods or services.

***Decision of the Case***

The Coram while upholding the AAR's ruling held that Appellant is a totally different entity

than concessionaires in as much as they are all separately incorporated and separately registered with GST and they are distinct persons as per GST Act. So, on the basis of holding equity, they cannot claim to be on par with the concessionaires, who otherwise to are ineligible for the exemption, being the provider of composite supply of goods and services to GCC anyway.

***The Tamil Nadu Appellate Authority of Advance Ruling (AAAR) ruled that Waste Collection, Segregation, Treatment, transportation, Disposal Services under Service Agreements not exempted from GST.***

.....

**No GST Exemption on Operation and Maintenance of High Quality Treated Drinking Water Plant for the 'Amma Kudineer Project': AAR**

***Fact of the Case***

The Applicant, Unique Aqua System has stated that they have entered into a contract with the Greater Chennai Corporation based on which they have been awarded with the project of Operation and Maintenance of High Quality Treated Drinking Water Plant for the "Amma Kudineer (Drinking Water Plant) Project". As per the Contractual conditions of work order, they have supplied, installed and commissioned high quality drinking water plants at different locations as required by the Greater Chennai Corporation (GCC) on the land allotted to them.

They have been provided with raw water and electricity free of cost for the operation and maintenance of the drinking water plant to dispense treated water to the General Public. The consideration for the above-mentioned service is paid based on the quantity of treated water dispensed to the General Public. The beneficiaries are identified by GCC based on their residential status of the Ward in which the water treatment plant is located. The treated water is distributed by way of smart cards issued to the beneficiaries by GCC.

The applicant has sought the advanced ruling on the issue whether the Services provided by the applicant to the recipient i.e. The Greater Chennai Corporation is a pure service provided to the



local authority by way of activity in relation to functions entrusted to a Panchayat under article 243G and Municipality under article 243W of the Constitution and eligible for benefit of exemption provided under Serial No. 3 of Notification No. 12/2017- Central Tax (Rate) dated June 28, 2017.

### ***Decision of the Case***

The Coram ruled that the Supply provided by the applicant to the recipient i.e. The Greater Chennai Corporation based on the agreement to provide RO Plant and undertake O&M of the same, being not a “Pure service” but a composite supply of goods & Services, they are not eligible for benefit of exemption provided at Serial No. 3 of Notification No. 12/2017- Central Tax (Rate) dated June 28, 2017.

***The Tamil Nadu Authority of Advance Ruling (AAR) ruled that No GST Exemption on Operation and Maintenance of High Quality Treated Drinking Water Plant for the “Amma Kudineer Project.***

.....

**Tamarind inner Pulp without Shell and Seeds not exempted from GST as it is not Agricultural Produce: AAR**

### ***Fact of the Case***

The applicant has stated that their service is covered under Notification No.11/2017-Central Tax(Rate) dated June 28, 2017 under Sl.No.24(e) Loading unloading packing storage or warehousing of agricultural produce (Heading SAC 9986). Entry no.54 of Notification No.12/2017-CT(Rate) dated June 28, 2017 exempts services relating to cultivation of plants and rearing of all life forms of animals except the rearing of horses, for food, fibre, raw material or

other similar products or agricultural produce by way of (e) loading, unloading packing storage or warehousing of agricultural produce.

The applicant, Arun Cooling has sought the advanced ruling on the issue whether the service of cold storage of tamarind inner pulp without shell and seeds are exempted under the purview of the definition of Agricultural produce vide Notification No. 11/2017- C.T.(Rate) and 12/2017- C.T.(Rate) both dated June 28, 2017.

### ***Decision of the Case***

The Coram ruled that the product stored is processed by drying the same in the sun and then by beating with wooden sticks to remove the pod and hammered to deseed and destring for extraction of the endocarp/pulp of the Tamarind. This process is not done at farm level. It is done as a Cottage Industry as furnished in the affidavits of the Traders and the Oath of allegiance of the Farmers to whom the storage services are extended by the applicant.

“Therefore, as clarified in the Circular above, the Tamarind which is processed by sun drying, de-shelling, deseeding, the process which are not farm level processes, is not an ‘Agricultural Produce’ as defined under explanation 2(d) of the Notification No. 12/2017-C.T.(Rate) dated 28.06.2017. Once the product for which the storage services are extended is held to be not an agricultural produce then the exemption at Sl.No. 54 of the Notification No. 12/2017-C.T. (Rate) dated 28.06.2017 is not available to the product, irrespective of the class of receivers of the service,” the AAR said.

***The Tamil Nadu Authority of Advance Ruling (AAR) ruled that the Tamarind inner pulp without shell and seeds is not exempted from GST as it is not an Agricultural product.***

## **DIRECT TAX**

**Salary received for Services rendered in Foreign Countries not Taxable in India: ITAT**

### ***Fact of the Case***

• The assessee, an individual and an employee of IBM India was outside the country during

the relevant assessment year in connection with his foreign assignments.

- The assessee received salary and foreign allowance during the relevant period and claimed for deduction in respect of the same while filing his income tax returns.

- The Assessing Officer asked him to produce all the required documents since he had claimed double taxation relief under section 90 of the Income Tax Act and admitted NIL total income but claimed TDS of Rs.8,61,345/- in his return.
- The assessee could not produce the Tax Residency Certificate of Austria for claiming the Double Taxation relief under section 90 as it is statute U/S 90(4) of the Income tax Act, 1961 w.e.f. from A.Y. 2013-14 and all other supporting documents.
- The Assessing Officer, therefore, denied the tax benefit by further observing that the assessee has neither produced any bank account outside India to prove any credits received outside India nor any mode of receiving the receipts outside India.

#### ***Decision of the Case***

- Judicial Member P Madhavi Devi held that the salary and the foreign allowance was received in India for the services rendered abroad and by virtue of DTAA and the Act, there is no bar in law for receiving the money in India.
- While directing the Assessing Officer to allow exemption to the assessee, the Tribunal held that “Similar view was taken in many other employees of IMB India Ltd. Respectfully following the same, the appeal of the assessee is allowed.

.....

#### **No TDS applicable if the Threshold Limit of Rs.20k is not satisfied: ITAT**

#### ***Fact of the Case***

- The assessee is engaged in transport business by hiring lorries & trucks
- The AO disallowed hire charges for non-deduction of tax under section 40(a)(ia) of the Income Tax Act, with an observation that the appellant has not brought on record any supporting evidence that he had hired lorries and trucks in the manner the public hire an auto or a taxi on the road.

- The AO further observed that the appellant did not produce supporting proof, but each of the trucks was hired in a casual manner.
- The contention of the AR of the appellant was that the appellant doing the transport business for transportation of goods as and when a particular company or person requires goods to be transported from one place to another without any specific contract with regard to the time, rate, etc.
- The revenue has raised the issue whether the CIT(A) is right in deleting addition of Rs.3,94,38,302/- made by the AO under section 40(a)(ia) of the Income Tax Act, 1961 under the facts and circumstances of the case.

#### ***Decision of the Case***

- The coram of L.P.Sahu and S.S.Godara held that the CIT(A) has gone by assessee’s payment instance(s) already forming part of assessee’s records that the same do not satisfy the threshold limit of Rs.20,000/- each and above for deducting TDS in the relevant previous year.
- The Income Tax Appellate Tribunal (ITAT), Hyderabad Bench held that no TDS applicable if the threshold limit of Rs.20,000 is not satisfied

.....

#### **Delhi High Court grants Deduction on account of Employment given to New Workmen**

#### ***Fact of the Case***

- The assessee, International Tractor Ltd. claimed that he is engaged in the business of manufacturing and assembling tractors and tractor components.
- The assessee filed the return wherein it declared its taxable income as Rs. 147,83,25,740/-. At the time of filing the return of income the assessee had failed to claim the deduction both under Section 80JJAA of the Act and qua prior period expenses.
- Insofar as the deduction under Section 80JJAA of the Act was concerned, the

amount was pegged at Rs.1,07,33,164/- whereas insofar as deduction qua prior period expenses was involved, the amount was quantified at Rs.51,21,024.

- The AO, however, declined to entertain the two deductions claimed by the assessee, i.e., under Section 80JJA of the Act and vis-à-vis prior period expenses. The AO, thus, assessed the assessee's taxable income at Rs.148,24,34,100/- vide assessment order. The assessee, being aggrieved, lodged an appeal with the CIT(A).
- The CIT(A) allowed the appeal of the assessee. This time revenue was aggrieved and thus, went up in appeal to the Tribunal against the order of the CIT(A).

### ***Decision of the Case***

- The division bench of Justices Rajiv Shakdher and Talwant Singh opined that unless the Tribunal would have reached to a conclusion and expressed its clear view, in that respect, as to what was wrong or missing in the examination made by the CIT(A), a remand was not called for.
- The court said that a case where the details were placed before the AO, who declined to entertain the claims only on the ground that they did not form part of the assessee's original return and that the assessee had not made a course correction by filing a revised return
- Therefore, the Court quashed the Tribunal's judgment and sustained the fresh claims made by the assessee, as allowed by the CIT(A).

.....

### **Relief to Maruti Insurance: Delhi High Court allows Deduction on Business Expenditure**

#### ***Fact of the Case***

- In the present case the assessee, Maruti Insurance was incorporated on November 24, 2010.
- The assessee claims that, on November 29, 2010 itself, an agreement was executed

between the assessee and Maruti Suzuki India Limited (MSIL). through this agreement, the persons, who were employees of MSIL, were sent on deputation to the assessee, and to meet its objective, were made to undergo a minimum of 100 hours of mandatory training as insurance brokers.

- These steps were a precursor to the application preferred by the assessee with IRDA for issuance of a direct-broker license. The application was lodged with the IRDA on December 1, 2010.
- The assessee was, finally, issued a direct broker's license by IRDA on February 2, 2012.
- The assessee preferred an appeal with the Commissioner of Income Tax (Appeals). The CIT (A) vide order sustained the order passed by the AO. The assessee carried the matter further and lodged an appeal with the Tribunal. The appeal preferred by the assessee with the Tribunal met the same fate. The Tribunal sustained the view taken by both CIT (A) as well as the AO.

### ***Decision of the Case***

- The coram of Justices Rajiv Shakdher and Talwant Singh noted that the finding recorded by the Tribunal that the assessee set up its business only on 02.02.2012 was perverse and erroneous in law.
- The Court while allowing the appeal found that Tribunal failed to appreciate the difference between the assessee being ready to commence business and the date from which it conducts business
- There is, in most cases, hiatus between the time a person or entity is ready to do business and when business is conducted. During this period, expenses are incurred towards keeping the business primed up. These expenses cannot be capitalized as suggested by the authorities

## **Relief to Google: Karnataka High Court quashes ITAT's order imposing Royalty Taxation for 'Adwords Program'**

### ***Fact of the Case***

- The assessee, Google India was granted with the marketing and distribution rights of the Adwords programme to advertisers in India under a distribution agreement in 2005.
- AdWord Program is more focused and targeted in advertising campaign which results into more attention, engagement, delivery, and conversion which is only possible on the Google network with the access of tools of search engine and google analytics.
- The ITAT held that the agreement between the assessee and GIL is not only in the nature of providing the space for advertisement and displaying the advertisement to the consumers.
- The Tribunal held that payments aggregating to Rs 1,457 crore made by Google India to Google Ireland between 2007-08 and 2012-13 are taxable as royalty.
- Senior Advocate Ganesh on behalf of the appellant argued that it is a well settled proposition of law that if any material/any document is relied upon, the same has to be given to all the parties, otherwise it amounts to violation of principles of natural justice and fair play.
- He has vehemently argued before this Court that the material collected behind of the assessee was used and relied upon by the Tribunal and therefore, the same amounts

to violation of principles of natural justice and fair play, hence, the matter should be remanded back to the Tribunal permitting the parties to raise all possible grounds while arguing the matter afresh.

- Mr. Aravind, the counsel for the Income-tax department has argued that the material which has been relied upon by the Tribunal is available on internet and merely because the material which is available on internet was not given to the assessee, it does not mean that there is violation of natural justice and fair play. He has vehemently opposed the prayer made by the Senior Counsel for the assessee in respect of remand.

### ***Decision of the Case***

- The division bench of Justices Satish Sharma and Vishvajeth Shetty while quashing the ITAT's order remanded the matter back to the Tribunal to decide the appeals afresh in accordance with law.
- The ITAT directed the parties to appear before the Tribunal on May 3, 2021 and within a period of 15 days the appellant shall be free to file the documents/additional documents in support of his contentions and the revenue shall also be free to file documents/additional submissions in support of their contentions.
- In case any other material is being relied upon by the Tribunal, the same shall also be made available to the assessee/appellant as well as to the counsel for revenue before passing a final order. The Tribunal is requested to make all possible endeavours to decide the matters at an earlier date.

# TAX COMPLIANCE CALENDER AT A GLANCE

## GOODS AND SERVICES TAX CALENDAR

| Due Date for GSTR-3B  |                                   |                     |                             |
|---|-----------------------------------|---------------------|-----------------------------|
| States  | Turnover in Preceding F.Y.        | Month               | Due Date                    |
| For All States  | Turnover is more than Rs. 5 Crore | April, 2021         | 20 <sup>th</sup> May, 2021  |
| Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, Daman & Diu and Dadra & Nagar Haveli, Puducherry, Andaman and Nicobar Islands, Lakshadweep                                   | Opting for the QRMP Scheme        |                     |                             |
|   | Turnover is upto Rs. 5 Crore      | April to June, 2021 | 22 <sup>nd</sup> July, 2021 |
| Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand, Odisha, Jammu and Kashmir, Ladakh, Chandigarh, Delhi | Opting for the QRMP Scheme        |                     |                             |
|   | Turnover is upto Rs. 5 Crore      | April to June, 2021 | 24 <sup>th</sup> July, 2021 |

| Due Date |                     |                             |
|----------|---------------------|-----------------------------|
| Form     | For month/Quarter   | Date                        |
| GSTR-1   | Monthly             |                             |
|          | April, 2021         | 11 <sup>th</sup> May, 2021  |
|          | Quarterly           |                             |
|          | April to June, 2021 | 13 <sup>th</sup> July, 2021 |

| <b>Composition Scheme Due Dates</b> |                                      |                                   |
|-------------------------------------|--------------------------------------|-----------------------------------|
| <b>From</b>                         | <b>Description</b>                   | <b>Date</b>                       |
| <b>CMP - 08</b>                     | <b>Return for Composite Supplier</b> |                                   |
|                                     | <b>April to June, 2021</b>           | <b>18<sup>th</sup> July, 2021</b> |

| <b>Others Returns</b>   |  |                                  |
|-------------------------|--|----------------------------------|
| <b>From</b>             | <b>Description</b>   | <b>Due Date</b>                  |
| <b>GSRT- 5 &amp; 5A</b> | <b>Filed by Non-resident taxable person and OIDAR respectively</b>   |                                  |
|                         | <b>April 2021</b>  | <b>20<sup>th</sup> May, 2021</b> |
| <b>GSTR - 6</b>         | <b>For input Services Distributor who are required to furnish details of invoice on which credit has been received</b> |                                  |
|                         | <b>April, 2021</b>   | <b>13<sup>th</sup> May, 2021</b> |
| <b>GSTR - 7</b>         | <b>Filed by person required to deduct TDS under GST</b>  |                                  |
|                         | <b>April, 2021</b>   | <b>10<sup>th</sup> May, 2021</b> |
| <b>GSTR - 8</b>         | <b>E-commerce operator who are required to deduct TDS</b>  |                                  |
|                         | <b>April, 2021</b>   | <b>10<sup>th</sup> May, 2021</b> |

## DIRECT TAX CALENDAR - MAY, 2021

| Important due dates for the Income Tax |  |
|--|--|
| 07.05.2021                             | Due date for deposit of Tax deducted/collected for the month of April, 2021. However, all sum deducted/collected by an office of the government shall be paid to the credit of the Central Government on the same day where tax is paid without production of an Income-tax Challan  |
| 15.05.2021                             | Due date for issue of TDS Certificate for tax deducted under section 194-IA, 194-IB & 194M in the month of March, 2021   |
| 15.05.2021                             | Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of April, 2021 has been paid without the production of a challan  |
| 15.05.2021                             | Quarterly statement of TCS deposited for the quarter ending March 31, 2021   |
| 15.05.2021                             | Due date for furnishing statement in Form no. 3BB by a stock exchange in respect of transactions in which client codes have been modified after registering in the system for the month of April, 2021   |
| 30.05.2021                             | Submission of a statement (in Form No. 49C) by non-resident having a liaison office in India for the financial year 2020-21  |
| 30.05.2021                             | Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA in the month of April, 2021   |
| 30.05.2021                             | Due date for furnishing of challan-cum-statement in respect of tax deducted under Section 194M in the month of April, 2021   |
| 30.05.2021                             | Due date for furnishing of challan-cum-statement in respect of tax deducted under Section 194-IB in the month of April, 2021   |
| 30.05.2021                             | Issue of TCS certificates for the 4th Quarter of the Financial Year 2020-21  |
| 31.05.2021                             | Quarterly statement of TDS deposited for the quarter ending March 31, 2021   |
| 31.05.2021                             | Return of tax deduction from contributions paid by the trustees of an approved superannuation fund   |
| 31.05.2021                             | 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 in respect of a financial year 2020-21   |
| 31.05.2021                             | 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  |
| 31.05.2021                             | Application for allotment of PAN in case of non-individual resident person, which enters into a financial transaction of Rs. 2,50,000 or more during FY 2020-21 and hasn't been allotted any PAN   |
| 31.05.2021                             | Application for allotment of PAN in case of person being managing director, director, partner, trustee, author, founder, karta, chief executive officer, principal officer or office bearer of the person referred to in Rule 114(3)(v) or any person competent to act on behalf of the person referred to in Rule 114(3)(v) and who hasn't allotted any PAN |



## COURSES OFFERED BY TAX RESEARCH DEPARTMENT

### Eligibility criterion for admission in TRD Courses

- The members of the Institute of Cost Accountants of India
- Other Professionals (CS, CA, MBA, M.Com, Lawyers)
- Executives from Industries and Tax Practitioners
- Students who are either CMA qualified or CMA pursuing

### EXISTING COURSES

#### CERTIFICATE COURSE ON TDS

**Course Fee** - Rs. 10,000 + 18% GST  
*20% Discount for Members, CMA Final Passed Candidates and CMA Final pursuing Students*

**Exam Fees** - Rs. 1,000 + 18% GST

**Duration** – 30 Hours

**Mode of Class** – Online

#### CERTIFICATE COURSE ON INCOME TAX RETURN FILLING

**Course Fee** - Rs. 10,000 + 18% GST  
*20% Discount for Members, CMA Final Passed Candidates and CMA Final pursuing Students*

**Exam Fees** - Rs. 1,000 + 18% GST

**Duration** – 30 Hours

**Mode of Class** – Online

#### CERTIFICATE COURSE ON GST

**Course Fee** - Rs. 10,000 + 18% GST  
*20% Discount for Members, CMA Final Passed Candidates and CMA Final pursuing Students*

**Exam Fees** - Rs. 1,000 + 18% GST

**Duration** – 72 Hours

**Mode of Class** – Online

*\* Special Discount for Corporate*

#### ADVANCED CERTIFICATE COURSE ON GST

**Course Fee** - Rs. 14,000 + 18% GST  
*20% Discount for Members, CMA Final Passed Candidates and CMA Final pursuing Students*

**Exam Fees** - Rs. 1,000 + 18% GST

**Duration** – 40 Hours

**Mode of Class** – Online

#### CRASH COURSE ON GST FOR COLLEGE AND UNIVERSITY

**Batch Size** – 50 (Minimum)

**Eligibility criterion** - B.COM/B.B.A pursuing or completed  
M.COM/M.B.A pursuing or completed

**Course Fee** - Rs. 1,000 + 18% GST

**Exam Fees** - Rs. 200 + 18% GST

**Course Duration** - 32 Hours

#### CRASH COURSE ON INCOME TAX FOR COLLEGE AND UNIVERSITY

**Batch Size** – 50 (Minimum)

**Eligibility criterion** - B.COM/B.B.A pursuing or completed  
M.COM/M.B.A pursuing or completed

**Course Fee** - Rs. 1,500 + 18% GST

**Exam Fees** - Rs. 500 + 18% GST

**Course Duration** - 32 Hours

Admissions open for the courses - <https://eicmai.in/advsec/DelegatesApplicationForm-new.aspx>

### NEW COURSES

#### ADVANCED COURSE ON GST AUDIT AND ASSESSMENT PROCEDURE

**Course Fee** - Rs. 12,000 + 18% GST [Including Exam Fee]

**Duration** – 30 Hours

**Mode of Class** – Online

#### ADVANCED COURSE ON INCOME TAX ASSESSMENT AND APPEAL

**Course Fee** - Rs. 12,000 + 18% GST [Including Exam Fee]

**Duration** – 30 Hours

**Mode of Class** – Online

**For enquiry about courses, mail at – [trd@icmai.in](mailto:trd@icmai.in)**



## **E-PUBLICATIONS OF TAX RESEARCH DEPARTMENT**

|   |  |
|---|--|
| Impact of GST on Real Estate                                | Handbook on GST on Service Sector                          |
| Insight into Customs - Procedure & Practice                 | Handbook on Works Contract                                 |
| Input Tax Credit & In depth Discussion                      | Handbook on Impact of GST on MSME Sector                   |
| Exemptions under the Income Tax Act, 1961                   | Insight into Assessment including E-Assessment             |
| Taxation on Co-operative Sector                             | Impact on GST on Education Sector                          |
| Guidance Note on GST Annual Return & Audit                  | Addendum_Guidance Note on GST Annual Return & Audit        |
| Sabka Vishwas-Legacy Dispute Resolution Scheme 2019         | An insight to the Direct Tax- Vivad se Vishwas Scheme 2020 |
| Guidance Note on Anti Profiteering                          | International Taxation and Transfer Pricing                |
| Advance Rulings in GST                                      | Handbook on E-Way Bill                                     |
| Handbook on Special Economic Zone and Export Oriented Units | Taxation on Works Contract                                 |

For E-Publications, Please visit Taxation Portal -  
<https://icmai.in/TaxationPortal/>

## TAXATION COMMITTEES - PLAN OF ACTION

### Proposed Action Plan:

1. Successful conduct of Certificate Course on GST.
2. Publication and Circulation of Tax bulletin (both in electronic and printed formats) for the awareness and knowledge updation of stakeholders, members, traders, Chambers of Commerce, Universities.
3. Publication of Handbooks on Taxation related topics helping stakeholders in their job deliberations.
4. Carry out webinars for the Capacity building of Members - Trainers in the locality to facilitate the traders/registered dealers.
5. Conducting Seminars and workshops on industry specific issues, in association with the Trade associations/ Traders/ Chamber of commerce in different location on practical issues/aspects associated with GST.
6. Tendering representation to the Government on practical difficulties faced by the stakeholders in Taxation related matters.
7. Updating Government about the steps taken by the Institute in removing the practical difficulties in implementing various Tax Laws including GST.
8. Facilitating general public other than members through GST Help-Desk opened at Head quarter of the Institute and other places of country.
9. Introducing advance level courses for the professionals on GST and Income Tax.
10. Extending Crash Courses on Taxation to Corporates, Universities, Trade Associations etc.

### Disclaimer:

The Tax Bulletin is an informational document designed to provide general guidance in simplified language on a topic of interest to taxpayers. It is accurate as of the date issued. However, users should be aware that subsequent changes in the Tax Law or its interpretation may affect the accuracy of a Tax Bulletin. The information provided in these documents does not cover every situation and is not intended to replace the law or change its meaning.

The opinion expressed in Article is fully based on the views of the experts. This information is provided for public services only and is neither an advertisement nor to be considered as legal and professional advice and in no way constitutes an attorney-client relationship between the Institute and the User. Institute is not responsible or liable in any way for the consequences of using the information given.

## Contact Details:

Tax Research Department  
12, Sudder Street, Kolkata - 700016

Phone: +91 33 40364747/ +91 33 40364798/ +91 33 40364711

E-mail: [trd@icmai.in](mailto:trd@icmai.in)



# THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

Statutory Body under an Act of Parliament

[www.icmai.in](http://www.icmai.in)

**Headquarters:** CMA Bhawan, 12 Sudder Street, Kolkata - 700016

Ph: 091-33-2252 1031/34/35/1602/1492

**Delhi Office:** CMA Bhawan, 3 Institutional Area, Lodhi Road, New Delhi - 110003

Ph: 091-11-24666100