



# Just 5 Minutes

TAXCON<sup>TM</sup> INDIA PRIVATE LIMITED

# INCOME TAX

## 1. *Clarification regarding limitation time for filing of appeals before the CIT(Appeals)*

The Central Board of Direct Taxes, has issued clarification that if different relaxations are available to the taxpayers for a particular compliance, the taxpayer is entitled to the relaxation which is more beneficial to him. Thus, for the purpose of counting the period(s) of limitation for filing of appeals before the CIT(Appeals) under the Act, the taxpayer is entitled to a relaxation which is more beneficial to him and hence the said limitation stands extended till further orders as ordered by the Hon'ble Supreme Court in *Suo Motu Writ Petition (Civil) NO.3 of 2020* vide order *dated 2y<sup>th</sup> April 2021*.

# GST

1. CBIC notifies several recommendations of 43rd GST Council Meeting

A. Relaxation for filing of monthly/Quarterly return in Form GSTR-3B:

Sl. No.	Tax Period	Class of taxpayer (Based on Annual Aggregate Turnover)	Due date of filing	Reduced Rate of Interest					Waiver of late fee till
				First 15 days from due date	Next 15 days	Next 15 days	Next 15 days	From 61 <sup>st</sup> day onwards	
1	March, 2021	> Rs. 5 Cr.	20 <sup>th</sup> April	9%	18%	18%	18%	18%	5 <sup>th</sup> May, 2021
		Up to Rs. 5 Cr	20 <sup>th</sup> April	Nil	9%	9%	9%	18%	20 <sup>th</sup> June, 2021
2	April, 2021	> Rs. 5 Cr.	20 <sup>th</sup> May	9%	18%	18%	18%	18%	4 <sup>th</sup> June, 2021
		Up to Rs. 5 Cr	20 <sup>th</sup> May	Nil	9%	9%	18%	18%	5 <sup>th</sup> July, 2021
3	May, 2021	> Rs. 5 Cr.	20 <sup>th</sup> June	9%	18%	18%	18%	18%	5 <sup>th</sup> July, 2021
		Up to Rs. 5 Cr	20 <sup>th</sup> June	Nil	9%	18%	18%	18%	20 <sup>th</sup> July, 2021

# GST

## B. Other COVID-19 related relaxations provided as under:

Sl. No.	Compliance	Tax Period	Relaxation
1.	GSTR-1/ IFF	May 2021	Due date extended till 28 <sup>th</sup> June 2021
2.	GSTR-4	FY 2020-21	Due date extended till 31 <sup>st</sup> July 2021
3.	FORM GST ITC-04	QE March 2021	Due date extended till 30 <sup>th</sup> June 2021
4.	Application of rule 36(4)	Periods April, May, June 21	Cumulative application of rule 36(4) in return for June, 2021
5.	Filing of returns by Companies	Till 31 <sup>st</sup> August 2021	Option for filing of returns using EVC instead of DSC by Companies
6.	Time limit for completion of various actions, by any authority or by any person, under the GST Act, which falls from 15 April, 2021 to 29 June, 2021,	15 April, 2021 to 29 June, 2021	extended upto 30 June, 2021, subject to some exceptions. NOTE: <i>Wherever the timelines for actions have been extended by the Hon'ble Supreme Court, the same would apply*</i>
7.	furnishing the statement in CMP-08 by composition dealer	QEMarch202	<i>NIL interest for first 15 days from the due date. Reduced rate of 9% for further 45 days</i>

# GST

## *C. Exemption on goods imported on payment basis*

Exemption from IGST has been given **upto 31.08.2021** for the following goods, if imported on payment basis, for donating to the government or on recommendation of state authority to any relief agency or even “free of cost” for free distribution:

- i) medical oxygen,*
- ii) oxygen concentrators and*
- iii) other oxygen storage and transportation equipment,*
- iv) certain diagnostic markers test kits and*
- v) COVID-19 vaccines, etc.*
- vi) Amphotericin B*

It may be mentioned that above goods are also exempted from Basic Customs Duty (BCD).

# GST

*D. Amnesty Scheme to provide relief to taxpayers regarding late fee for pending returns (July, 2017 to April, 2021):*

<b>Category</b>	<b>Late Fee/return</b>	<b>Return</b>	<b>Period</b>	<b>Condition</b>
For NIL returns	Maximum of Rs. 500/- (CGST+SGST)	GSTR-3B	July, 2017 to April, 2021	Returns to be furnished between 01.06.2021 to 31.08.2021
For other than NIL returns	Maximum of Rs. 1,000/- (CGST+SGST)			

# GST

## E. Rationalization of late fee imposed under section 47 of the CGST Act (prospective tax periods):

Category	Late Fee/return	Return
For NIL returns	Maximum of Rs. 500/- (CGST+SGST)	<b>GSTR 3B/GSTR1</b>
For other than NIL returns (Annual Aggregate Turnover in preceding year upto Rs 1.5 crore)	Maximum of Rs. 2,000/- (CGST+SGST)	
For other than NIL returns (Annual Aggregate Turnover in preceding year between Rs 1.5 crore to Rs 5 crore)	Maximum of Rs. 5,000/- (CGST+SGST)	
For other than NIL returns (Annual Aggregate Turnover in preceding year above Rs 5 crores)	Maximum of Rs. 10,000/- (CGST+SGST)	
For NIL returns	Maximum of Rs. 500/- (CGST+SGST)	<b>FORM GSTR-4</b> by composition taxpayers
For other than NIL returns	Maximum of Rs. 2,000/- (CGST+SGST)	<b>FORM GSTR-4</b> by composition taxpayers
For TDS returns	Rs.50/- per day (CGST+SGST) and to be capped to a maximum of Rs 2000 (CGST+SGST)	<b>FORM GSTR-7 (TDS Return)</b>

# LABOUR LAWS

## 1. *EPFO COVID - 19 Advance*

EPFO (Employee's Provident Fund Organization) allows its members to avail second COVID-19 advance. Under this provision, non-refundable withdrawal to the extent of the basic wages and dearness allowances for three months or up to 75% of the amount standing to member's credit in the EPF account, whichever is less, is provided. Members can apply for lesser amount also.



# CASE LAWS - INCOME TAX

## 1. *Forzza Projects (P.) Ltd. v. PCIT*

In the matter where the assessee filed a return of income, but tax was not remitted, and subsequently, the tax was remitted with interest by availing instalment facility, but the AO initiated prosecution under Section 276C.

The Madras High Court held that there was no concealment of any income. What is involved is only a failure to pay the tax in time, which was later paid after availing installment facility with interest. A mere failure to pay the amount due (tax, interest, or penalty) will not satisfy the requirement that constitutes the offence under section 276C.

# CASE LAWS - INCOME TAX

## 2. *Manoj Kumar Vs ACIT*

It has been held that no adhoc disallowance can be made without pointing out any discrepancy in the books of accounts of the assessee which were audited under the provisions of act, without rejecting the books of accounts.

## 3. *Aerzen Machines (India) (P.) Ltd. v. CIT*

The ITAT Ahmedabad has held that PBDIT to be taken as profit level indicator for ALP instead of PBIT if there was huge difference on account of depreciation.

# CASE LAWS - INDIRECT TAX

## 1. *Reg. dealership agreement – no ST on trade discounts*

Madras High Court has held that no element of service is involved in case the relationship between seller and buyer is on principal-to-principal basis; dealership agreement is to be read as a whole to ascertain the purport and object of a contract. The HC quashed an order demanding service tax on trade discounts received by a dealer of auto parts from the manufacturers by way of credit notes. It was observed that the adjudicating authority had erred by not reading the dealership agreement as a whole and instead placing undue emphasis on certain individual clauses occurring in the agreement.

# CASE LAWS – COMPANIES ACT

## 1. *Baalu Renukadevi Vs Union of India*

The Madras High Court has held that ROC cannot deactivate the DIN (Director Identification Number) of person. It held that Rule 11 of Companies (Appointment and Qualifications of Directors) Rules, provides for the cancellation or surrender or deactivation of the DIN. It is very clear upon examining Rule 11 that neither cancellation nor deactivation is provided for upon disqualification under Section 164(2) of CA 2013.



## **Fortnightly Update No : 358<sup>th</sup>**

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