



# Just 5 Minutes

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

# INCOME TAX

## 1. *Further extension for filing various Forms*

Due to the difficulties reported by the taxpayers & other stakeholders, the CBDT has further extended the due dates for e-filing of certain forms, as under:-

| Particulars  | Due Date   | Extended Due date |
|--|------------|-------------------|
| Form 10A (Application for registration/intimation/Approval u/s 10(23AC) 12A, 35(1)(ii)/(iia)/(iii) or 80G) | 31/08/2021 | 31/03/2022        |
| Form 10AB (Application for registration or approval u/s 10(23AC), 12A or 80G)                              | 28/08/2022 | 31/03/2022        |
| Last date for payment under the Vivad se Vishwas scheme without penalty                                    | 31/08/2021 | 30/09/2021        |
| Equalization Levy statement (F.Y. 2020-21)   | 31/08/2021 | 31/12/2021        |

# INCOME TAX

| Particulars  | Due Date   | Extended Due date |
|--|------------|-------------------|
| Form 3CEAC Intimation by a constituent entity, resident in India, of an international group, the parent entity of which is not resident in India | 30/11/2021 | 31/12/2021        |
| Form No. 3CEAD Report by a parent entity or an alternate reporting entity or any other constituent entity, resident in India                     | 30/11/2021 | 31/12/2021        |
| Form No. 3CEAE Intimation on behalf of an international group  | 30/11/2021 | 31/12/2021        |
| Form 15G/15H (Q1 of F.Y. 21-22)  | 31/08/2021 | 30/11/2021        |
| Form 15G/15H (Q2 of F.Y. 21-22)  | 15/10/2021 | 31/12/2021        |

# INCOME TAX

## 2. *New Rule notified for calculation of taxable interest relating to PF*

The Central Board of Direct Taxes (CBDT) has notified a new Rule 9D for calculation of taxable interest relating to contribution in a provident fund or recognized provident fund which is exceeding threshold limit of Rs. 2.5 lakhs or Rs. 5 lakhs, as the case may be.

## 3. *New Rules and forms for giving effect amendments of TLA 2021*

The CBDT has proposed to insert a new Rule 11UE along with Forms 1 to 4 which specify the conditions to be fulfilled and the process to be followed to give effect to the amendments made by the Taxation Law (Amendment) Act, 2021 [TLA 2021]. TLA 2021 has been enacted to provide relief to certain entities impacted by the retrospective amendments made by the Finance Act 2012 relating to indirect transfer of assets situated in India.

# GST

## 1. *Government of Haryana – Investment subsidy in lieu of net SGST*

The Haryana Government has formulated a scheme – ‘Investment Subsidy in lieu of Net SGST’ to provide subsidy in lieu of net State GST (SGST) payable by eligible units. Under this scheme, depending on the nature of the project (ultra, mega, small, micro, start-up, etc.), a % of the net SGST amount paid by eligible units is being reimbursed to them. In the case of certain thrust sectors (such as auto, food processing, chemical, pharma, etc.), 100% net SGST is reimbursed for ten years to units set up in specified areas.

The eligibility conditions for a unit to qualify under this scheme are prescribed very clearly for new set-up, expansion, and diversification. Considering the broad coverage, this scheme certainly stands out and is likely to boost investments in the State of Haryana.



# COMPANIES ACT

## 1. *MCA Clarification of CSR excess spending*

Ministry of Corporate Affairs (MCA) has issued FAQs (Frequently Asked Questions) on CSR and clarified that the credit that businesses earn for spending on corporate social responsibility (CSR) beyond their annual obligation will lapse unless adjusted against the spending requirements in the subsequent three years.



# FEMA/ RBI REGULATIONS

1. *FDI Enhanced to 74% in Insurance Sector*

The Foreign Exchange Management (Non-debt Instruments) Rules, 2019 has been amended to increase the Foreign Direct Investment (FDI) limit to 74% for the Insurance Sector, from 49%.

# LABOUR LAWS

Changes in Haryana Wages effective from July 01, 2021

| Class of Employment      | Qualification and experience   | Total Per Day | Total Per Month |
|--------------------------|--------------------------------|---------------|-----------------|
| Unskilled                | NA                             | 377.04        | 9803.24         |
| Semi Skilled Class A     | NA                             | 395.89        | 10293.36        |
| Semi-Skilled Class B     | NA                             | 415.69        | 10808.02        |
| Skilled Class A          | NA                             | 436.47        | 11348.43        |
| Skilled Class B          | NA                             | 458.3         | 11915.86        |
| Highly Skilled           | NA                             | 481.21        | 12511.65        |
| Clerical & General Staff | Below Matriculation            | 395.89        | 10293.36        |
| Clerical & General Staff | Matriculation but not Graduate | 415.69        | 10808.02        |
| Clerical & General Staff | Graduate or Above              | 436.47        | 11348.43        |



# LABOUR LAWS

Changes in Haryana Wages effective from July 01, 2021

| Class of Employment      | Qualification and experience | Total Per Day | Total Per Month |
|--------------------------|------------------------------|---------------|-----------------|
| Clerical & General Staff | Steno Typist                 | 415.69        | 10808.02        |
| Clerical & General Staff | Junior Scale Stenographer    | 436.47        | 11348.43        |
| Clerical & General Staff | Senior Scale Stenographer    | 458.3         | 11915.86        |
| Clerical & General Staff | Personal Assistant           | 481.21        | 12511.65        |
| Clerical & General Staff | Private Secretary            | 505.27        | 13137.23        |
| Data Entry Operator      | NA                           | 436.47        | 11348.43        |
| Driver                   | Light Vehicle                | 458.3         | 11915.86        |
| Driver                   | Heavy Vehicle                | 481.21        | 12511.65        |
| Security Guard           | Without Weapon               | 395.89        | 10293.36        |
| Security Guard           | With Weapon                  | 458.3         | 11915.86        |

# CASE LAWS - INCOME TAX

1. *Deputy Commissioner of Income-tax, Circle-8, Pune v. Spicer India (P.) Ltd.*

It has been held that where expenditure paid by assessee to its AE on management fees was in order to facilitate smooth running of its business, same was an allowable expenditure in hands of assessee and addition made by A.O. for want of evidence to justify management fee was to be deleted.

2. *L.P.R. Construction v. Deputy Commissioner of Income-tax - Circle 1, Allahabad*

It has been held that where Assessing Officer after rejecting books of account of assessee proceeded to estimate income of assessee by applying net profit at rate of 7% as against net profit of 6.5% shown by assessee, since net profit at 6.5% declared by assessee was higher than net profit declared by it in preceding year, impugned adoption of net profit at 7% without any reasonable basis, criteria or guidelines applied by Assessing Officer, was not justified.

# CASE LAWS - INDIRECT TAX

## 1. *SAIL V. Commissioner of GST & Central Excise*

It has been held that tax is not payable on liquidated damages for failure to deliver consignment within delivery schedule. Where the appellant, a PSU recovered liquidated damages and forfeited EMD on failure to deliver consignments within the schedule, the amount cannot be considered as an act of agreeing to the obligation to refrain from an act, or to tolerate an act or a situation or to do an act. Rather the purpose of imposing compensation is to ensure that the defaulting act is not repeated.

# CASE LAWS - COMPANIES ACT

1. *Anant Narain V. Union of India*

It has been held that where petitioners were disqualified directors of struck off companies seeking appointment as directors in other/ new companies, their DIN/ DSC ought to be reactivated to enable them to conduct their fresh business in accordance with law.



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Specific advice/clarification should be obtained in case there is any doubt relating to the aforesaid