

LUNAWAT BULLETIN

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LUNAWAT & CO

MARKET WATCH

Sensex : 31/08/2021 : 57552.39
31/07/2021 : 52586.84

Nifty : 31/08/2021 : 17132.20
31/07/2021 : 15763.05

AROUND THE GLOBE

INDIA EXTENDS \$ 100 MILLION LOAN TO AFRICA TO SPUR POST PANDEMIC GROWTH

Africa Finance Corporation (AFC), the leading infrastructure solutions provider on the continent, has received a US\$100 million credit line from the Export-Import Bank of India (India Exim Bank) to develop critical infrastructure required for the revival of Africa's economies in the wake of the Covid-19 pandemic.

Proceeds from the 10-year loan will support AFC's continued mission to bridge Africa's infrastructure gap and drive the sustainable economic growth urgently required on the continent. India Exim Bank, the sovereign export credit agency of India, has actively sought opportunities to co-finance projects in Africa through credit lines to support infrastructure development. AFC draws capital a diverse range of international investors and lenders as part of its strategy to maintain Africa's second highest investment grade credit ratings.

GOVERNMENT COLLECTS RS 1.12 LAKH CRORE GST FOR AUGUST

Government collected Rs 1.12 lakh crore in GST for the month of August slightly below the July collection of Rs 1.16 lakh crore. The revenue was 30% higher than the same period last year. Total CGST collected is Rs 20,522 crore, SGST Rs 26,605 crore, IGST Rs 56,247 crore (including Rs 26,884 crore collected on import of goods) and Cess is Rs 8,646 crore (including Rs 646 crore collected on import of goods). GST revenue for two consecutive months of July and August has been above the Rs 1 lakh crore level signalling that the economy has left behind the sluggishness due to the localised lockdowns imposed to contain second wave of the virus.

FINANCE MINISTRY RELEASES RS 13,386 CRORE TO 25 STATES AS GRANT TO RLBS

The Finance Ministry on Tuesday said it has released about Rs 13,386 crore to 25 states for providing grants to rural local bodies (RLBs). Tied grants are released to the rural local bodies (RLBs) for improving two services -- Sanitation and maintenance of open-defecation free (ODF) status and supply of drinking water, rainwater harvesting and water recycling.

PF SUBSCRIBERS MUST LINK THEIR AADHAAR CARD WITH THEIR PF ACCOUNT:

According to the updated rule, PF subscribers must link their Aadhaar card with their PF account till September 1, 2021, failing which they will not be able to avail EPF benefits. Moreover, if a PF account is not linked to Aadhaar and UAN is not Aadhaar verified, then the ECR-Electronic Challan cum Return will not be filed for the said PF account. This means they will not be able to get the employer's share of the contribution to their provident fund.

COMPLIANCE DUE DATES

Due Date	Relates to	Particulars
07.09.2021 (Tuesday)	TDS/TCS/ Income Tax	<ul style="list-style-type: none"> • Due date for deposit of Tax deducted for the month of Aug, 2021.
10.09.2021 (Friday)	GST	<ul style="list-style-type: none"> • Due Date of filing of GSTR-7 For TDS Deductor of Aug, 2021. • Due Date of filing of GSTR-8 For TCS Collector of Aug, 2021.
11.09.2021 (Saturday)	GST	<ul style="list-style-type: none"> • Due Date of filing GSTR-1(Monthly) for Aug, 2021.
13.09.2021 (Monday)	GST	<ul style="list-style-type: none"> • Due Date of filing of GSTR-6 for Input service distributor of Aug,2021. • Due date of filing of Form IFF(Optional) for Opting Quarterly Returns of Period August,2021.
14.09.2021 (Tuesday)	TDS/TCS/ Income Tax	<ul style="list-style-type: none"> • Due date for issue of TDS Certificate for tax deducted under section 194-IA, section 194-IB and section 194M for the month July,2021.
15.09.2021 (Wednesday)	TDS/TCS/ Income Tax	<ul style="list-style-type: none"> • Due date for furnishing of Form 24G by an office of the Government where TDS/ TCS for the month of August, 2021 has been paid without the production of a challan . • Second instalment of advance tax for the assessment year 2022-23 + • Due date for furnishing statement in Form no. 3BB by a stock exchange in respect of transactions in which client codes been modified after registering in the system for the month of August, 2021
15.09.2021 (Wednesday)	Provident Fund/ ESI	<ul style="list-style-type: none"> • Due date for depositing contribution of PF & ESI for the Month of Aug,2021.
20.09.2021 (Monday)	GST	<ul style="list-style-type: none"> • Due date of filing GSTR-3B for August, 2021 for taxpayers with turnover up to 5cr and opting for monthly returns. • Due Date of filing of GSTR-5 (Non-Resident Foreign Tax Payer) of August,2021. • Due Date of filing of GSTR-5A(Non-Resident OIDAR Service Providers) of August, 2021.
30.09.2021 (Thursday)	TDS/TCS/ Income Tax	<ul style="list-style-type: none"> • Due date for linking Permanent Account Number (PAN) with Aadhaar. • Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA,194-IB, & 194-IM, in the month of August, 2021. • Return of income for the assessment year 2021-22 for all assessee other than (a) corporate-assessee or (b) non-corporate assessee (whose books of account are required to be audited) or (c) partner of a firm whose accounts are required to be audited or the spouse of such partner if the provisions of section 5A applies or (d) an assessee who is required to furnish a report under section 92E. • Due date for for payment of tax arrears without any additional amount under the Direct Tax Vivad Se Vishwas scheme (DTVSV) has been extended further from Aug 31, 2021.
30.09.2021 (Thursday)	MCA(ROC)	<ul style="list-style-type: none"> • Due date for filing of Form DIR-3 KYC.

INCOME TAX

FINANCE MINISTRY NOTIFIES RULES FOR CALCULATING TAXABLE INTEREST IN PF ACCOUNT

- Rule 9D inserted in the Income-tax Rules, 1962 has specified that separate accounts within the PF accounts shall be maintained clearing segregating the taxable and non-taxable contributions to PF along with interest thereon.
- The finance ministry has notified rules for calculation of taxable interest on employee contributions to provident fund of over Rs 2.5 lakh per annum.
- In the Budget for 2021-22, Sitharaman had capped the tax-free interest earned on provident fund contribution by employees and employers together to a maximum of Rs 2.5 lakh in a year in an attempt to dissuade high earners from parking their surplus in what is supposed to be the common man's retirement fund.

INCOME TAX DEPARTMENT TO REFUND EXCESS INTEREST, LATE FEE PAID WHILE FILING FY21 ITR

- The department said the ITR software was rectified on August 1 itself to remove the error due to incorrect computation of interest under section 234A and late fee under section 234F of Income Tax Act.
- The Income Tax Department said it will refund the excess interest and late fee paid by taxpayers due to software error while filing ITR for 2020-21.

INCOME TAX DEPARTMENT EXTENDS THE DUE DATES:

Nature of Extension	Provisions / Forms of IT Act 1961	Original Due Date	Further Extended Due Date
The application in Form No. 10A for registration/ intimation/ approval of Trusts/ Institutions/ Research Associations etc.,	Under Section 10 (23C), 12A, 12AB, 35 (1) (ii) / (iii) / (iii) and 80G of the Act	30.06.2021	31.03.2022
The application in Form No. 10B for registration of approval of Trusts/ Institutions/ Research Associations etc.,	Section 10(23C), 12A or 80G	28.02.2021	31.03.2022
The Equalization Levy Statement in Form No. 1 for the Financial Year 2020-21	Form No. 1	30.06.2021	31.12.2021
The Quarterly Statement in Form No. 15CC to be furnished by authorized dealer in respect of remittances made for the quarter ending on 30th June, 2021	Form No. 15CC	15.07.2021	30.11.2021
The Quarterly statement in Form No. 15CC to be furnished by authorized dealer in respect of remittances made for the quarter ending on 30 September, 2021	Form No. 15CC	15.10.2021	31.12.2021

INCOME TAX

Nature of Extension	Provisions / Forms of IT Act 1961	Original Due Date	Further Extended Due Date
Uploading of the declarations received from recipients in Form No. 15G/15H during the quarter ending 30th June, 2021	Form No. 15G/15H	15.07.2021	30.11.2021
Uploading of the declarations received from recipients in Form No. 15G/15H during the quarter ending 30th September, 2021	Form No. 15G/15H	15.10.2021	31.12.2021
Intimation to be made by Sovereign Wealth Fund in respect of investments made by it in India in Form II SWF for the quarter ending on 30th June, 2021,	Form II SWF	31.07.2021	30.11.2021
Intimation to be made by Sovereign Wealth Fund in respect of investments made by it in India in Form II SWF for the quarter ending on 30th September, 2021	Form II SWF	31.10.2021	31.12.2021
Intimation to be made by a Pension Fund in respect of each investment made by it in India in Form No. 10BBB for the quarter ending on 30th June, 2021	Form No. 10BBB	31.07.2021	30.11.2021
Intimation to be made by a Pension Fund in respect of each investment (11) made by it in India in Form No. 10BBB for the quarter ending on 30 September, 2021	Form No. 10BBB	31.10.2021	31.12.2021
Intimation by a constituent entity, resident in India, of an international group, the parent entity of which is not resident in India for the purposes of section 286 (1)	Form No.3CEAC	30.11.2021	31.12.2021
Report by a parent entity or an alternate reporting entity or any other constituent entity, resident in India, for the purposes of section 286 (2) / 286 (4)	Form No.3CEAD	30.11.2021	31.12.2021
Intimation on behalf of an international group for the purposes of the proviso to sub-section (4) of section 286 of the Act	Form No. 3CEAE	30.11.2021	31.12.2021
The Central Board of Direct Taxes (CBDT) has further extended the deadline for the Direct Tax Vivad Se Vishwas scheme (DTVSV) for payment of tax arrears without any additional amount till September 30, 2021. The earlier extended deadline for the same was August 31, 2021.	Direct Tax Vivad Se Vishwas scheme (DTVSV)	31.08.2021 Earlier date	30.09.2021 Extended due date

"I say always follow your passion, no matter what, because even if it's not the same financial success, it'll lead you to the money that'll make you the happiest."

- Ellen DeGeneres

CORPORATE LAWS

MCA NOTIFIES COMPANIES (SPECIFICATION OF DEFINITIONS DETAILS) THIRD AMENDMENT RULES, 2021 AND COMPANIES (REGISTRATION OF FOREIGN COMPANIES) AMENDMENT RULES, 2021

- The purpose of this amendment is to exclude from the definition of foreign company u/s 2(42) of the Act, the electronic presence of a foreign company by the means of electronic based offering of securities, subscription thereof or listing of securities in the IFSC.

MCA HAS ISSUED THE COMPANIES (CREATION AND MAINTENANCE OF DATABANK OF INDEPENDENT DIRECTORS) SECOND AMENDMENT RULES, 2021 TO FURTHER AMEND THE COMPANIES (CREATION AND MAINTENANCE OF DATABANK OF INDEPENDENT DIRECTORS) RULES, 2019.

The following amendments have been made:

- Rule 6, which specifies Annual report on the capacity building of independent directors, has been Inserted namely:
- "The institute shall within sixty (60) days from the end of every financial year send an annual report to every individual whose name is included in the data bank and also to every company in which such individual is appointed as an independent director in format provided in the Schedule to these Rules."

MCA HAS ISSUED A SET OF FAQs FOR BETTER UNDERSTANDING AND FACILITATING EFFECTIVE IMPLEMENTATION OF CSR. THE FAQs ON CSR COVERS THE BROAD HEADINGS.

- The MCA has issued Frequently Asked Questions FAQs on Corporate Social Responsibility CSR. The broad provisions related to CSR are threefold and have been provided in Section 135 of the Companies Act, 2013, Schedule VII and Companies (CSR Policy) Rules, 2014.

MCA exempts Foreign Companies & companies incorporated outside India from provisions of sections 387 to 392 to the extent, they relate to the offering for subscription in the securities, requirements related to the prospectus and all matters incidental thereto in the International Financial Services Centres (IFSCs) set up under Section 18 of the Special Economic Zones Act, 2005. This section was made effective w.e.f. 22nd January, 2021.

CORPORATE LAWS

THE MINISTRY OF CORPORATE AFFAIRS THROUGH NOTIFICATION DATED 19TH AUGUST, 2021 HAS ISSUED THE COMPANIES (APPOINTMENT AND QUALIFICATION OF DIRECTORS) AMENDMENT RULES, 2021.

- The Amendment provides that an individual shall not be required to pass the online proficiency self-assessment test to be included in independent directors databank when he has served for a total period of not less than three years as on the date of inclusion of his name in the data bank in the pay scale of Director or equivalent or above in any Ministry or Department, of the Central Government or any State Government, and having experience in handling,—
 - (i) the matters relating to commerce, corporate affairs, finance, industry or public enterprises; or
 - (ii) the affairs related to Government companies or statutory corporations set up under an Act of Parliament or any State Act and carrying on commercial activities.”.
 It is further provided that the following individuals, who are or have been, for at least ten years:—
 - (A) an advocate of a court; or
 - (B) in practice as a chartered accountant; or
 - (C) in practice as a cost accountant; or
 - (D) in practice as a company secretary,
 shall not be required to pass the online proficiency self-assessment test.”.

Few things in the world are more powerful than a positive push. A smile .A world of optimism and hope.
- Richard M.DeVos

GOODS & SERVICE TAX

FACILITY TO USE DSC FOR THE PURPOSE OF FILING EXTENDED

- CBIC further amends through a notification 32/2021-Central Tax dated 29.08.2021 in the fourth proviso in sub-rule (1) of rule 26, which states that a registered person registered under the provisions of the Companies Act, 2013 (18 of 2013) can now furnish the all applications, including reply, if any, to the notices, returns including the details of outward and inward supplies, appeals or any other document required to be submitted under the provisions of rules shall be so submitted electronically without digital signature certificate but with Electronic Verification Code till "31st day of October, 2021"

GSTN HAD ISSUED AN ADVISORY FOR TAXPAYERS REGARDING BLOCKING OF E-WAY BILL (EWB) GENERATION FACILITY RESUME AFTER 15TH AUGUST, 2021

- The E Way Bill generation facility of a person is liable to be restricted, in case the person fails to file their return in Form GSTR-3B (Monthly / Quarterly) / statement in CMP-08, for a two or more consecutive tax periods, in terms of Rule 138 E (a) and (b) of the CGST Rules, 2017.
- As, the facility of blocking E way bill generation has been temporarily suspended due to pandemic. Non filing of two or more returns in Form GSTR-3B (Monthly/Quarterly frequency as may be applicable) for the tax periods up to June, 2021 and Non filing of 02 or more statements in Form GST CMP-08 for the quarters up to April to June, 2021

RELIEF TO THE TAXPAYERS REGARDING LATE FEE FOR NON-FURNISHING FORM GSTR-3B

- The Government, vide Notification No. 19/2021- Central Tax, dated 01.06.2021, had provided relief to the taxpayers by reducing / waiving late fee for non-furnishing FORM GSTR-3B for the tax periods from July, 2017 to April, 2021, if the returns for these tax periods are furnished between 01.06.2021 to 31.08.2021.
- The last date to avail benefit of the late fee amnesty scheme, has now been extended from existing 31.08.2021 to 30.11.2021. [Notification No. 33/2021- Central Tax, dated 29.08.2021].

CBIC amends through a notification 32/2021-Central Tax dated 29.08.2021 in rule 26 of CGST Rules 2017, with effect from the 1st day of November, 2021, all the under provisos of the rule shall be omitted

GOODS & SERVICE TAX

GOVERNMENT HAS ALSO EXTENDS THE TIMELINES FOR FILING OF APPLICATION FOR REVOCATION OF CANCELLATION OF REGISTRATION:

- Based on the multiple representations received, Government has also extended the timelines for filing of application for revocation of cancellation of registration to 30.09.2021, where the due date of filing of application for revocation of cancellation of registration falls between 01.03.2020 to 31.08.2021.
- The extension would be applicable only in those cases where registrations have been cancelled under clause (b) or clause (c) of sub-section (2) of section 29 of the CGST Act. [Notification No. 34/2021- Central Tax, dated 29.08.2021].

RULE-59(6) OF CGST RULES, 2017; INSERTED VIDE NOTIFICATION NO. 1/2021 :

- Rule-59(6) of CGST Rules, 2017; inserted vide Notification No. 1/2021 dated 1st January 2021, provides for restriction in filing of GSTR-1(Monthly/Quarterly or IFF) in certain cases if he has not furnished the return in FORM GSTR-3B (Monthly/Quarterly Frequency) for preceding two periods.
- This Rule will be implemented on GST Portal from 1st September, 2021. On implementation of the said Rule, the system will check. This check will operate on clicking the SUBMIT button of GSTR-1 and the system will give an error message if the condition of Rule-59(6) is not met.
- Facility for filing of GSTR-1 will be restored immediately after filing of relevant GSTR-3B. No separate approval would be needed from the tax-officer to restore the facility for filing of GSTR-1.

“It's not now much money you make, but how much money you keep, how hard it works for you, and how many generations you keep it for.”

-Robert Kiyosaki

LUNAWAT UPDATE

Presentations:

During August 2021 , CA Pramod Jain gave following presentations:

- PPT on Common errors in Audits made at Hotel Fortune Avenue, Jalandhar organised by FRRB and hosted by Jalandhar Branch of NIRC of ICAI
- PPT on Recent Amendments in Companies Act including Schedule III made during webinar organised by Corporate Laws & Corporate Governance Committee of ICAI
- PPT on Practical aspects of Finance Act 2021 made at Hisar organised by Hisar Branch of NIRC of ICAI, Bhiwani Branch of NIRC of ICAI and Trinagar Keshavpuram CPE Study Circle of NIRC of ICAI
- PPT on Recent amendments in Income Tax & Company Law made during Webinar organised by Shalimar Bagh CPE study Circle of NIRC of ICAI
- PPT on Recent Amendment in Companies Act including Schedule III made at webinar organised by Corporate Laws & Corporate Governance Committee of ICAI
- PPT on CSR Taxation made during National Virtual Conference, CSR Committee of ICAI
- PPT on Audit of Non-Corporate Entities made at MK Hotel, Amritsar organised by Amritsar Branch of NIRC of ICAI
- PPT on Key Issues in Tax Audit made during Webinar organised by The Society of Auditors, Chennai
- PPT on Capacity Building session - New Tax Regime - Salary made at Dedicated Freight Corridor Corporation India Ltd., Delhi (DFCCIL)
- PPT on Critical issues in S. 115BBE made at Jaypee Palace, Agra during RRC organised by Lucknow Chartered Accountants Society.

During August 2021 , CA Rajesh Saluja gave following presentations:

- Fintax programme at Escort at Faridabad and Banglore.
- Financial Acumen webinar for Somany Ceramics Ltd.

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