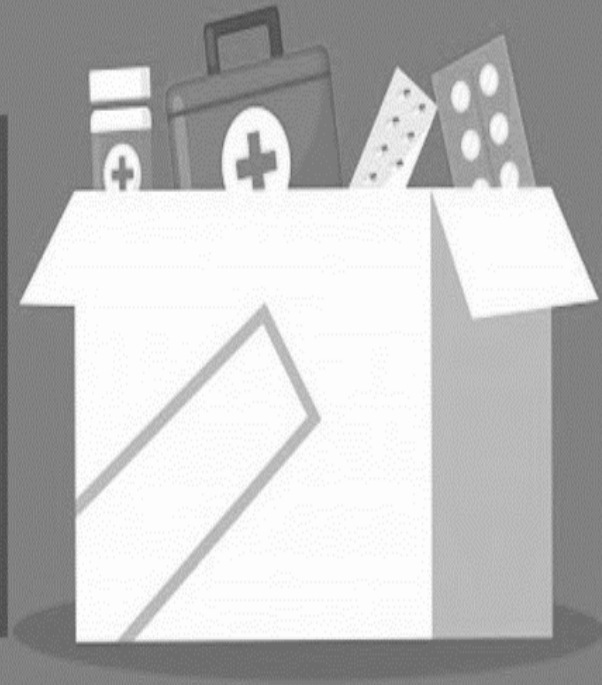


# KMS Updates

## NEWSLETTER JUNE 2021

**KHANDHAR MEHTA & SHAH  
CHARTERED ACCOUNTANTS**

EXEMPTION ON  
**COVID-19**  
MATERIAL



**TDS**  
**TCS**



## Direct Tax

Extended Due Dates For Various Compliances

Notification Regarding Extension Of Various Time Limit

Extension In Time Limit Of Direct Tax Vivad Se Vishwas Scheme

Relaxation In Electronic Filing Of Form 15CA & 15CB

Compliance Check Functionality For Higher Rate Of TDS And TCS

Tax Exemption For Expenditure On Covid Treatment & Ex-Gratia On Death

Guidelines Under Section 194Q Of The Income Tax Act, 1961

Notification Of Cost Inflation Index For Financial Year 2021-22

## Company Law

Relaxation On Levy Of Additional Fees – Extension Of Time

Extension In Time For Passing Ordinary Or Special Resolutions On Account Of Covid

Restriction On Dealing Certain Items Through Vc Or Other A/V Means Is Omitted

Companies (Indian Accounting Standards) Amendment Rules, 2021

## Indirect Tax

Relaxations In GST Rates For Covid-19 Relief Material

Clarifications Vide Various Circulars

Waiver Of Penalty For Noncompliance With The Provisions Of QR Code

## EXTENDED DUE DATES

FORM 15CA &  
FORM CBTAX BENEFIT ON  
COVID EXPENDITURE

Sr. No.	Particulars	Earlier Time Limit	Further extended time limit
1.	Filing of objections to Dispute Resolution Panel and Assessing Officer u/s 144C	1 <sup>st</sup> June 2021	31 <sup>st</sup> August 2021
2.	Filing of TDS Return in Form 24Q, 26Q and 27Q for Quarter-4 of F.Y. 2020-21	30 <sup>th</sup> June 2021	15 <sup>th</sup> July 2021
3.	Furnishing of TDS Certificate in Form No. 16 to the employee	15 <sup>th</sup> July 2021	31 <sup>st</sup> July 2021
4.	Statement of Income paid or credited by an investment fund to its unit holder in Form 64D for F.Y. 2020-21	30 <sup>th</sup> June 2021	15 <sup>th</sup> July 2021
5.	Statement of Income paid or credited by an investment fund to its unit holder in Form 64C for F.Y. 2020-21	15 <sup>th</sup> July 2021	31 <sup>st</sup> July 2021
6.	Application u/s 10(23C), 12AB, 35, 80G for registration / provisional registration / intimation/ approval/ provisional approval of Trusts/ institutions/ Research Associations etc.	30 <sup>th</sup> June 2021	31 <sup>st</sup> August 2021
7.	Investment/deposit/payment/acquisition/ purchase/construction or such other action for the purpose of claiming exemption under the provisions contained in Section 54 to 54GB of the Act	-	30 <sup>th</sup> September 2021
8.	Quarterly Statement to be furnished by an authorized dealer in respect of foreign remittances made for the quarter ending on 30 <sup>th</sup> June 2021	15 <sup>th</sup> July 2021	31 <sup>st</sup> July 2021
9.	Statement of Equalization Levy in Form No. 1 for the Financial Year 2020-21	30 <sup>th</sup> June 2021	31 <sup>st</sup> July 2021
10.	Annual Statement in Form 3CEK by the eligible investment fund for Financial Year 2020-21	29 <sup>th</sup> June 2021	31 <sup>st</sup> July 2021
11.	Uploading of declarations in Form No. 15G/ 15H for the quarter ending on 30 <sup>th</sup> June 2021	15 <sup>th</sup> July 2021	31 <sup>st</sup> August 2021
12.	Withdrawal of application filed before settlement commission in Form No. 34BB	27 <sup>th</sup> June 2021	31 <sup>st</sup> July 2021

Source: <https://www.incometaxindia.gov.in/communications/circular/circular.no.12.2021.pdf>

## EXTENDED DUE DATES

FORM 15CA &  
FORM CBTAX BENEFIT ON  
COVID EXPENDITURE

Sr. No.	Particulars	Earlier Time Limit	Further extended time limit
1	Time Limit for passing order for assessment/ reassessment under section 153/153B	30 <sup>th</sup> June 2021	30 <sup>th</sup> September 2021
2	Time limit for imposition of penalty	30 <sup>th</sup> June 2021	30 <sup>th</sup> September 2021
3	Linking of Aadhar with PAN u/s 139AA of the IT Act	30 <sup>th</sup> June 2021	30 <sup>th</sup> September 2021
4	Processing of Equalisation levy statements u/s 168(1) of Finance Act, 2016	30 <sup>th</sup> June 2021	30 <sup>th</sup> September 2021

Source: [https://www.incometaxindia.gov.in/communications/notification/notification\\_74\\_2021.pdf](https://www.incometaxindia.gov.in/communications/notification/notification_74_2021.pdf)

## EXTENSION IN TIME LIMIT OF DIRECT TAX VIVAD SE VISHWAS SCHEME

Sr. No.	Particulars	Extended Date	Further Extended date
1	Payment of amount determined under Direct Tax Vivad Se Vishwas Act without additional interest	30/06/2021	31/08/2021
2	Payment of amount determined under Direct Tax Vivad se Vishwas Act with additional interest	-	31/10/2021

Source: [https://www.incometaxindia.gov.in/communications/notification/notification\\_75\\_2021.pdf](https://www.incometaxindia.gov.in/communications/notification/notification_75_2021.pdf)

EXTENDED DUE  
DATES

FORM 15CA & FORM CB

TAX BENEFIT ON  
COVID EXPENDITURE

- ▶ CBDT has allowed the manual furnishing of Form 15CA-CB for the purpose of foreign remittances to the authorized dealers till 30th June 2021. The said time limit has been further extended till 15th July 2021.

Source: [https://www.incometaxindia.gov.in/communications/circular/circular\\_10\\_2021.pdf](https://www.incometaxindia.gov.in/communications/circular/circular_10_2021.pdf)

## CLARIFICATION ON COMPLIANCE CHECK FUNCTIONALITY FOR HIGHER RATE OF TDS AND TCS

- ▶ CBDT has issued new functionality of compliance check for higher rate of TDS and TCS for non-filers of Income Tax returns as per section 206AB and 206CCA of the Income Tax Act. This functionality is functioning through reporting portal of the Income Tax Department. (<https://report.insight.gov.in>)
- ▶ The higher rate of TDS and TCS to a specified person are as under:

Higher Rate of TDS u/s 206AB	Higher Rate of TCS u/s 206CCA
TDS to be deducted at higher of following: (i) at twice the rate specified in the relevant provision of the Act (ii) at twice the rate or rates in force (iii) at the rate of 5%	TCS to be collected at higher of following: (i) at twice the rate specified in the relevant provision of the Act (ii) at the rate of 5%

Source: [https://www.incometaxindia.gov.in/communications/circular/circular\\_11\\_2021.pdf](https://www.incometaxindia.gov.in/communications/circular/circular_11_2021.pdf)  
<https://www.incometaxindia.gov.in/Lists/Press%20Releases/Attachments/941/Press-Release-Clarification-for-the-use-of-functionality-under-section-206AB-206CCA-dated-23-06-2021.pdf>

EXTENDED DUE DATES

FORM 15CA &amp; FORM CB

TAX BENEFIT ON COVID EXPENDITURE

- ▶ CBDT has decided to provide the income-tax exemption on the amount received by a taxpayer for medical treatment from employer or from any person for treatment of Covid-19 during Financial Year 2019-20 and subsequent years.
- ▶ Further, CBDT has also provided tax exemption to ex-gratia payment received by family members of a person from the employer of such person or from other person on the death of the person on account of Covid-19 during the Financial Year 2019-20 and subsequent years. The exemption shall be allowed without any limit for the amount received from the employer and the exemption shall be limited to Rs. 10 Lakhs in aggregate for the amount received from any other persons.

Source: [https://www.incometaxindia.gov.in/Lists/Press%20Releases/Attachments/945/PressRelease\\_Government\\_grants\\_further\\_extension\\_in\\_timelines\\_compliances\\_25\\_6\\_21.pdf](https://www.incometaxindia.gov.in/Lists/Press%20Releases/Attachments/945/PressRelease_Government_grants_further_extension_in_timelines_compliances_25_6_21.pdf)

## GUIDELINES UNDER SECTION 194Q OF THE INCOME TAX ACT, 1961

- ▶ CBDT has issued the guidelines in order to remove the difficulties for implementing the provisions of TDS on purchase of goods as per section 194Q of the IT Act, which is effective from 1st July 2021.

Source: [https://www.incometaxindia.gov.in/communications/circular/circular\\_13\\_2021.pdf](https://www.incometaxindia.gov.in/communications/circular/circular_13_2021.pdf)

## NOTIFICATION OF COST INFLATION INDEX FOR FINANCIAL YEAR 2021-22

Financial Year	Cost Inflation Index
2021-2022	317

Source: [https://incometaxindia.gov.in/communications/notification/notification\\_73\\_2021.pdf](https://incometaxindia.gov.in/communications/notification/notification_73_2021.pdf)

- ▶ MCA has further grant additional time up to 31st August 2021 for filling of forms of Companies & LLPs due for filling during 1<sup>st</sup> April 2021 to 31<sup>st</sup> July 2021 other than charge forms without any additional fees in continuation of General Circular No. 06/2021. The list of the forms is as mentioned below in source (c).
- ▶ Further to this, in case of CHG – 1 & CHG – 9 the period from 01.04.2021 till 31.07.2021 shall not be reckoned for the purpose of counting the number of days under section 77 & 78 of the Act in continuation of General Circular No. 07/2021.

Source: <https://www.mca.gov.in/bin/dms/getdocument?mds=oNI%252BU4n7x%252FntbDPEaxYULQ%253D%253D&type=open>  
<https://www.mca.gov.in/bin/dms/getdocument?mds=vqTLu4GNC8MKujYEiUplEg%253D%253D&type=open>  
<https://www.mca.gov.in/bin/dms/getdocument?mds=xlk8LHJKnBG4BVxlUSaSFQ%253D%253D&type=open>

## EXTENSION IN TIME FOR PASSING ORDINARY OR SPECIAL RESOLUTIONS ON ACCOUNT OF COVID

- ▶ MCA in continuation with their circular no. 14/2020 dated 8<sup>th</sup> April 2020 have extended the time of conducting company's EGM through VC or OAVM or transact through postal ballot in accordance with the circulars up to 31<sup>st</sup> December 2021.
- ▶ All other requirements provided in the said circular will remain unchanged.

Source: <https://www.mca.gov.in/bin/dms/getdocument?mds=fYGpVQRhK8ssM3IRSs7fsg%253D%253D&type=open>

## RESTRICTION ON DEALING CERTAIN ITEMS THROUGH VC OR OTHER A/V MEANS IS OMITTED

- ▶ MCA vide its notification has OMITTED Rule 4 of Companies (Meetings of Board and its Powers) Rules, 2014 w.r.t restriction on dealing with agenda items like approval of financials, Board's report, Mergers & Acquisitions, etc. through Video Conferencing or Other Audio-Visual Means.

Source: <https://www.mca.gov.in/bin/dms/getdocument?mds=zwpAclfQhKOGb8vwf%252FztbA%253D%253D&type=open>

- ▶ MCA notifies Companies (Indian Accounting Standards) Amendment Rules, 2021 to further amend the Companies (Indian Accounting Standards) Rules, 2015; Makes amendments to several Indian Accounting Standards (Ind-AS). The details of the same is mentioned in the link of notification below:

Source: <https://www.mca.gov.in/bin/dms/getdocument?mds=ItGIPzL9Zdszuby4p%252Bvmbw%253D%253D&type=open>



## RELAXATIONS IN GST RATES

CLARIFICATION VIDE  
CIRCULARS

WAIVER OF PENALTY

Heading, Sub-heading or Tariff item	Description of Goods	GST Rates up to 13-06-2021	GST Rate w.e.f. 14-06-2021 till 30-09-2021	GST Rates w.e.f. 01-10-2021
<b>MEDICINES</b>				
30	Tocilizumab	5%	Nil	5%
30	Amphotericin B	5%	Nil	5%
30	Heparin (Anti-Coagulants)	12%	5%	12%
30	Remdesivir	12%	5%	12%
<b>OXYGEN, OXYGEN GENERATION EQUIPMENT AND RELATED MEDICAL DEVICES</b>				
2804	Medical Grade Oxygen	12%	5%	12%
9019 20 or 9804	Oxygen Concentrator/ Generator	12%	5%	12%
9018 or 9019	Ventilators	12%	5%	12%
9019	(i) Non-invasive ventilation nasal or oronasal masks for ICU ventilators (ii) Canula for use with ventilators	12%	5%	12%
9019	BiPAP Machine	12%	5%	12%
9018	High flow nasal canula (HFNC) device	12%	5%	12%
6506 99 00	Helmets for use with non-invasive ventilation	12%	5%	12%

## RELAXATIONS IN GST RATES

CLARIFICATION VIDE  
CIRCULARS

WAIVER OF PENALTY

Heading, Sub-heading or Tariff item	Description of Goods	GST Rates up to 13-06-2021	GST Rate w.e.f. 14- 06-2021 till 30-09- 2021	GST Rates w.e.f. 01-10-2021
<b>TESTING KITS AND MACHINES</b>				
3002 or 3822	COVID -19 Testing Kits	12%	5%	12%
3002 or 3822	Inflammatory Diagnostic (marker) kits, namely- IL6, D-Dimer, CRP (C-Reactive Protein), LDH (Lactate De-Hydrogenase), Ferritin, Pro Calcitonin (PCT) and blood gas reagents	12%	5%	12%
<b>OTHER COVID-19 RELATED RELIEF MATERIAL</b>				
9018 19 or 9804	Pulse Oximeters	12%	5%	12%
3804 94	Hand Sanitizer	18%	5%	18%
9025	Temperature check equipment	18%	5%	18%
8417 or 8514	Gas/Electric/other furnaces for crematorium	18%	5%	18%
8702 or 8703	Ambulances	28%	12%	28%

Source: <https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-05-2021-2020-cgst-rate.pdf>

RELAXATIONS IN GST RATES

CLARIFICATION VIDE VARIOUS CIRCULARS

WAIVER OF PENALTY

Circular No.	Reference of Notification No. 12/2017-CTR	Clarification
149/05/2021-GST dt. 17-06-2021	Entry 66 clause (b)(ii)	<ul style="list-style-type: none"> <li>Serving of food to Anganwadi shall also be exempted, whether sponsored by Government or through donation from Corporate.</li> </ul>
150/06/2021-GST dt. 17-06-2021	Entry 23A	<ul style="list-style-type: none"> <li>Service by way of access to a road or bridge; whether consideration is in form of Toll or Annuity is exempted from GST.</li> <li>Now, it is clarified in this circular that entry 23A does not exempt GST on the annuity (deferred payments) paid for construction of roads.</li> <li>Circular differentiates both the services i.e. construction of road (HSN 9954) and allowing to access road (HSN 9967).</li> </ul>
151/07/2021-GST dt. 17-06-2021	Entry 66(aa)  Entry 66(b)(iv)	<ul style="list-style-type: none"> <li>Services provided by Central or State Boards (including the boards such as NBE) by way of conduct of examination for the students, including conduct of entrance examination for admission to educational institution is exempted from GST.</li> <li>Input services for admission to, or conduct of examination, such as online testing service, result publication, printing of notification for examination, admit card and questions papers etc., <b>when provided to such Boards are exempted from GST.</b></li> <li>GST at the rate of 18% applies to other services provided by such Boards, namely, providing accreditation to an institution or to a professional.</li> </ul>

Source: [https://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular\\_Refund\\_149.pdf](https://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular_Refund_149.pdf)  
[https://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular\\_Refund\\_150.pdf](https://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular_Refund_150.pdf)  
[https://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular\\_Refund\\_151.pdf](https://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular_Refund_151.pdf)

RELAXATIONS IN GST RATES

CLARIFICATION VIDE CIRCULARS

WAIVER OF PENALTY

Circular No.	Reference of Notification No. 12/2017-CTR	Clarification
152/08/2021-GST dt. 17-06-2021	Entry 3(vi)	<ul style="list-style-type: none"> <li>Civil constructions related to Rope Way for tourism development shall be considered as predominantly for purposes of business and hence, GST will be applicable on such Civil Construction @ 18%.</li> </ul>
153/09/2021-GST dt. 17-06-2021	Entry 3A	<ul style="list-style-type: none"> <li>Supply of service by way of milling of wheat into flour or of paddy into rice is not eligible for exemption for the reason that value of goods supply in such a composite supply exceeds 25%, and hence, GST will be applicable @ 5% if such composite supply is provided to a registered person, being a job work service.</li> </ul>
154/10/2021-GST dt. 17-06-2021	Entry 34A	<ul style="list-style-type: none"> <li>Services supplied by way of guaranteeing of loans by Central or State Government for their undertaking or PSU is specifically exempt from GST.</li> </ul>
155/11/2021-GST dt. 17-06-2021	Entry 195B of Notification no. 1/2017 - CTR	<ul style="list-style-type: none"> <li>Laterals / parts to be used solely or principally with sprinklers or drip irrigation system, which are classifiable under heading 8424, would attract a GST of 12%, even if supplied separately.</li> <li>However, any part of general use, which gets classified in a heading other than 8424, in terms of Section Note and Chapter Notes to HSN, it shall attract GST as applicable to the respective heading.</li> </ul>
156/12/2021-GST dated 21-06-2021	NA	<ul style="list-style-type: none"> <li>Clarification in respect of certain issues in applicability of Dynamic Quick Response (QR) Code on B2C invoice.</li> </ul>

Source: [https://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular\\_Refund\\_152.pdf](https://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular_Refund_152.pdf)  
[https://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular\\_Refund\\_153.pdf](https://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular_Refund_153.pdf)  
[https://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular\\_Refund\\_154.pdf](https://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular_Refund_154.pdf)  
[https://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular\\_Refund\\_155.pdf](https://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular_Refund_155.pdf)  
<https://www.cbic.gov.in/resources//htdocs-cbec/gst/156-12-2021%20GST%20Circular.pdf>

RELAXATIONS IN GST RATES

CLARIFICATION VIDE CIRCULARS

WAIVER OF PENALTY

- ▶ With effect from 01-12-2020, Dynamic Quick Response (QR) code was mandatory on the invoices issued to an unregistered person by a registered person (B2C) having aggregate turnover of more than Rs. 500 Crores in any financial year from 2017-18, 2018-19 2019-20 or 2020-21. However, various Notifications were issued for waiving off the penalty in respect of non-compliance of the aforesaid provision.

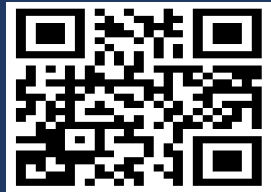
Notification No.	Actual Date	Penalty waived off & Extended Date
89/2020-CT dated 29.11.2020	01/12/2020	31/03/2021
06/2021-CT dated 30.03.2021		30/06/2021
28/2021-CT dated 30.06.2021		30/09/2021

Source : <https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-89-central-tax-english-2020.pdf>  
<https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-06-central-tax-english-2021.pdf>  
<https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-28-central-tax-english-2021.pdf>

Khandhar Mehta & Shah  
Chartered Accountants  
3<sup>rd</sup> Floor, Devpath Complex,  
Off C G Road, Navrangpura,  
Ahmedabad – 380009  
Gujarat – India

Phone : +91 79 66315450  
Email : [kms@kmsindia.in](mailto:kms@kmsindia.in)  
URL : [www.kmsindia.in](http://www.kmsindia.in)

Follow us :



---

Member firm of BATGACH, a network approved by ICAI

Affiliated offices at

| Ahmedabad | Mumbai | Chennai | Delhi | Bangalore | Kolkata |  
| Trivandrum | Jaipur | Guwahati | Patna | Raipur | Indore |

*The information contained herein is intended for general guidance only. It shall not to be used as a substitute of professional advice. Before acting on any matters contained herein, reference should be made to press releases, circulars or any other publication issued by respective authorities. Khandhar Mehta & Shah will not be responsible to any person.*