

# TAX EDGE

Monthly Tax & Regulatory  
Updates



Audit



Tax



Regulatory



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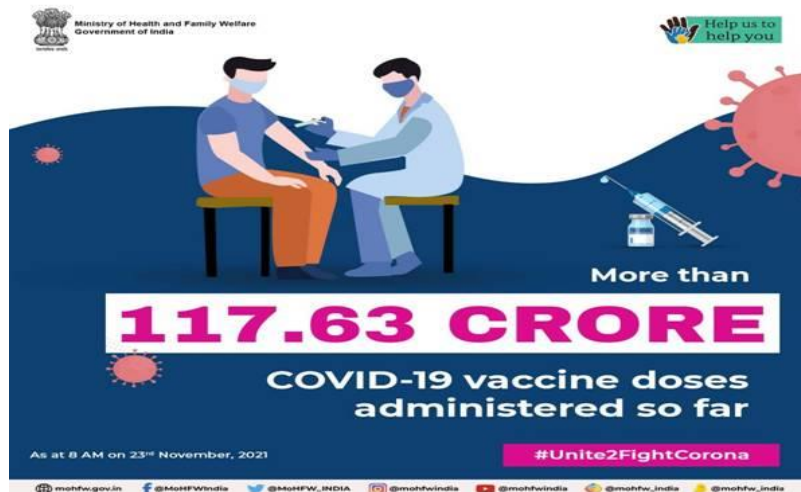
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# **Measures to combat COVID-19**

# Measures to combat COVID-19

India's cumulative COVID-19 Vaccination Coverage exceeds 117.63 Crore people with recovery rate at 98.32%



India's COVID-19 vaccination coverage has crossed the landmark of 117.63 Crore people (1,17,63,73,499) as per provisional reports till 23rd November 2021. This has been achieved through 1,21,69,135 sessions. The break-up of the cumulative figure includes:

HCWs	1 <sup>st</sup> Dose	1,03,82,453
	2 <sup>nd</sup> Dose	94,16,703
FLWs	1 <sup>st</sup> Dose	1,83,76,475
	2 <sup>nd</sup> Dose	1,63,40,031
Age Group 18-44 years	1 <sup>st</sup> Dose	44,47,84,652
	2 <sup>nd</sup> Dose	19,51,54,643
Age Group 45-59 years	1 <sup>st</sup> Dose	18,13,05,008
	2 <sup>nd</sup> Dose	11,22,23,224
Over 60 years	1 <sup>st</sup> Dose	11,35,48,772
	2 <sup>nd</sup> Dose	7,48,41,538
Total		1,17,63,73,499

Consequently, India's recovery rate stands at 98.32%. The testing capacity across the country continues to be expanded. On 23<sup>rd</sup> November 2021, a total of 9,64,980 tests were conducted. India has so far conducted over 63.34 Crore (63,34,89,239) cumulative tests.

While testing capacity has been enhanced across the country, weekly positivity rate at 0.93% remains less than 2% for the last 2 months. The daily positivity rate reported to be 0.79%. The daily positivity rate has remained below 2% for last 1.5 months.

Please [Click Here](#) to read the Press Release dated 23<sup>rd</sup> November 2021.

# Measures to combat COVID-19

## More than 131 Crore Vaccine doses provided to States so far by Union Government, more than 21.92 Crore still available unutilized

As part of the nationwide vaccination drive, the Union Government has been supporting the States and Union Territories (UTs) by providing them COVID-19 vaccines free of cost. In the new phase of the universalization of the COVID-19 vaccination drive, the Union Government will procure and supply (free of cost) 75% of the vaccines being produced by the vaccine manufacturers in the country to States and UTs.

Vaccine Doses	As on 23 <sup>rd</sup> November 2021
Supplied to States & UTs	1,31,45,03,460
Balance available	21,92,56,121

Please [Click Here](#) to read the Press Release dated 23<sup>rd</sup> November 2021.

## Union Health Minister assures no shortage of Vaccine Doses in the country, urges people to come forward for 2nd dose

“The number of the fully vaccinated individuals has surpassed the partially vaccinated eligible population for the first time in the country. This feat has been made possible due to the Honorable Prime Minister’s vision and people’s faith and confidence in the Government, and the ongoing ‘Har Ghar Dastak’ campaign which has seen tremendous response from various parts of the country”. This was stated by the Union Minister for Health & Family Welfare on 17<sup>th</sup> November 2021.

In a significant achievement to the nationwide vaccination coverage for the country, for the 1<sup>st</sup> time the number of fully vaccinated individuals has surpassed those who have been administered only a single dose of vaccine. The country has in total administered over 113.68 Crore (1,13,68,79,685) as on 17<sup>th</sup> November. This has been achieved through 1,16,73,459 sessions, out of which, 75,57,24,081 doses were administered as 1<sup>st</sup> dose and 38,11,55,604 doses were administered as 2<sup>nd</sup> dose. Thus, the number of fully vaccinated individuals (38,11,55,604) exceeds those who have been administered a single dose (37,45,68,477).

Healthcare workers are conducting door-to-door vaccinations of eligible people across India with a special focus on districts where less than 50% of the eligible population has been vaccinated. The Union Health Minister congratulated the collective spirit of the country on this achievement. In a tweet, he appealed to all eligible citizens to get vaccinated. “We will win the battle against COVID-19 together,” he stated.

Please [Click Here](#) to read the Press Release dated 17<sup>th</sup> November 2021.

# Measures to combat COVID-19

## Prime Minister (PM) holds review meeting with districts having low vaccination coverage

PM Shri Narendra Modi held a review meeting with districts having low vaccination coverage. The meeting included districts with less than 50% coverage of the 1<sup>st</sup> dose and low coverage of the 2<sup>nd</sup> dose of COVID-19 vaccine. PM interacted with District Magistrates of over 40 districts in Jharkhand, Manipur, Nagaland, Arunachal Pradesh, Maharashtra, Meghalaya and other States with districts having low vaccination coverage.

The District Magistrates gave an account of the issues and challenges being faced in their districts, which has resulted in low vaccination coverage. They highlighted issues like rumours resulting in vaccine hesitancy, difficult terrain, challenges created due to prevailing weather conditions in recent months. They also presented an account of the steps that have been taken by them till now to overcome these challenges. The District Magistrates also shared good practises adopted by them which has led to increase in coverage.

During the interaction, the PM discussed the issue of vaccine hesitancy and the local factors behind it in detail. He discussed a wide array of ideas that can be implemented for ensuring 100% vaccination coverage in these districts. He spoke about maximising community engagement through religious and community leaders. He exhorted all officials to ensure that the country widens its vaccination coverage by the end of the year and enters the New Year with renewed self-belief and confidence.

Please [Click Here](#) to read the Press Release dated 3<sup>rd</sup> November 2021.



# **Goods & Services Tax (`GST`)**

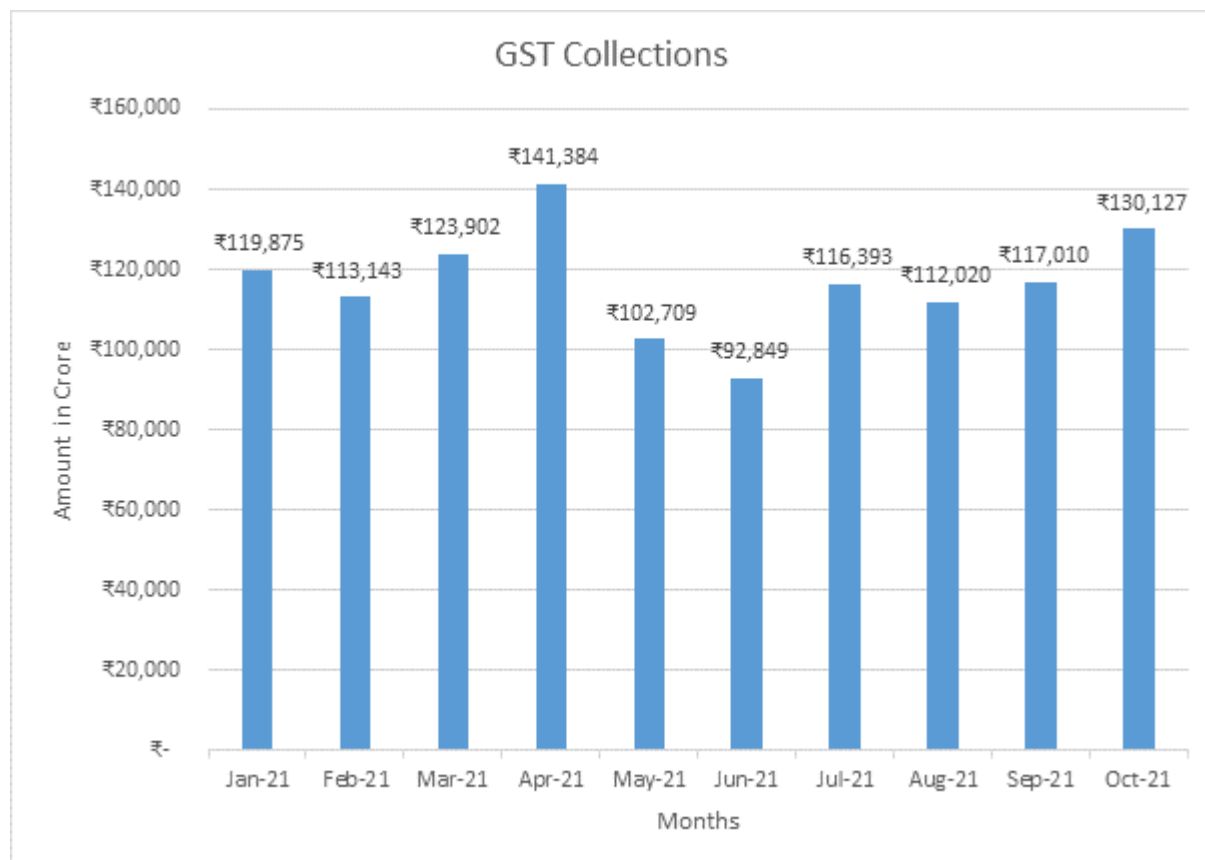
# GST

## GST revenue collection for October 2021, Rs. 130,127 Crore (24% higher than GST revenue collection in October 2020)

The gross GST revenue collected in the month of October 2021 is Rs.130,127 Crore (details given below).

IGST (Integrated Goods and Services Tax)	Rs. 67,361 Crore
CGST (Central Goods and Services Tax)	Rs. 23,861 Crore
SGST (State Goods and Services Tax)	Rs. 30,421 Crore
Compensation cess	Rs. 8,484 Crore
<b>Total</b>	<b>Rs. 130,127 Crore</b>

The revenues for the month of October 2021 are 24% higher than the GST revenues in the same month last year and 36% over 2019-20. During the month, revenues from import of goods was 39% higher and the revenues from domestic transaction (including import of services) are 19% higher than the revenues from these sources during the same month last year.



Please [Click Here](#) to read Press Release dated 1<sup>st</sup> November 2021.



## Improvements in Form GSTR-1 (Outward supply return)

A revamped and enhanced version of Form GSTR-1 / Invoice Furnishing Facility (IFF) is being made available on the GST Portal to enable the saving of the GSTR-1 details on the Portal efficiently. The changes are being implemented incrementally in a gradual manner, to leverage the familiarity of taxpayer so as to ensure that taxpayers can adapt to the changes smoothly. The changes would be implemented in 2 phases, to ensure that disruption to the taxpayers is minimal, and valuable feedback received is accounted for in subsequent phase. This document covers the changes being brought in Phase 1, while Phase -2 would follow.

GSTR-1 can be viewed as usual by navigating from Returns Dashboard > Selection of Period > Details of outward supplies of goods or services GSTR-1 > Prepare Online.

The following provides an overview of the updated functionality and their benefits in Phase 1:

- Reorganized GSTR-1 Dashboard – Taxpayers will now experience an enhanced online user interface in GSTR-1/IFF with the following changes:
- ✓ GSTR-1/IFF has been grouped in two sections namely 'Add Record Details' and 'Amend Record Details'.

ADD RECORD DETAILS			
4A, 4B, 6B, 6C - B2B Invoices	5A, 5B - B2C (Large) Invoices	6A - Exports Invoices	7 - B2C (Others)
✓ 42	✓ 5	✓ 3	✓ 6
8A, 8B, 8C, 8D - Nil Rated Supplies	9B - Credit / Debit Notes (Registered)	9B - Credit / Debit Notes (Unregistered)	11A(1), 11A(2) - Tax Liability (Advances Received)
✓ 0	✓ 6	✓ 4	✓ 1
11B(1), 11B(2) - Adjustment of Advances	12 - HSN-wise summary of outward supplies	13 - Documents Issued	
✓ 1	✓ 2	✓ 0	
AMEND RECORD DETAILS			

- ✓ All the tables/tiles for new details addition shall be available under 'Add Record Details' section while all the tables/tiles for amending previously filed details shall be available under 'Amend Record Details'. Re-arrangement of tables / tiles shall ensure that taxpayers can navigate easily to add or amend record details in the GSTR 1 / IFF.
- ✓ By default, 'Add Record Details' section shall be in expanded form (visible) and 'Amend Record Details' section shall be in collapsed form (hidden). Taxpayers can expand or collapse these sections as per the requirement. As it has been observed that only around 1% of details added are amended by taxpayers, that it why it will be in collapsed mode.

# GST



- ✓ E-invoice advisory and help buttons have been moved to the top of the dashboard page for ease of access. It also is notable that e-invoice provisions are applicable only to selected taxpayers, having aggregate turnover above a particular threshold.



- **Table/Tile Document Counts** – The document count for each tile (table) has been made more informative with color coding. The status of uploaded (Saved, Pending, Errored) documents with their count will also be made available. Taxpayer can now ascertain if there are any pending or errored records in any of the tables of GSTR-1/IFF from the dashboard itself. System shall update the count of records in the tiles on real time basis which will help in easy reconciliation. In case any record added by taxpayer is errored out, then the tile will be highlighted in red color. A sample image of the same is mentioned below for information.



# GST

- Enhancement in B2B and CDNR table/tile - Taxpayers will now be able to view a new record details table with the details of the recipient-wise count of records. Record details table will have the following columns:
  - ✓ *Taxpayer type* – Type of recipient taxpayer (Regular, SEZ, and Composition) shall be displayed in this column.
  - ✓ *Processed invoice* – Number of processed invoices will be available in this column with hyperlink. On clicking it, the taxpayer will navigate to document details page to view all the records added for the respective recipient(s).
  - ✓ *Pending / errored invoice* – Number of pending invoices will be available in this column with hyperlink. On click of it, taxpayer can navigate to pending/errored records details page to view all the records which are in pending or errored status for the respective recipient(s).
  - ✓ *Add Invoice* – Taxpayer can add new records for the selected recipient. On click of + symbol, add page shall open with pre-filled recipient GSTIN. On click of save, add page will reopen so that taxpayers can continue to add multiple records.
  - ✓ *Search* – General search functionality has been added in Document details page. Using this, taxpayer can now search specific record pertaining to a specific GSTIN. This will help taxpayer to search added records seamlessly.

4A, 4B, 6B, 6C - B2B Invoices

HELP 0 3

Recipient wise count

ADD RECORD

IMPORT EWB DATA

Record Details

Recipient Details	Trade/Legal Name	Taxpayer Type	Processed Invoices	Pending/Errored Invoices	Add Invoice
33AHLPP8362BQZM	GSTN	Regular taxpayer	2	0	

BACK

# GST

4A, 4B, 6B, 6C - B2B Invoices HELP ⚙

Recipient wise count Document wise details

Processed records

33AHLPP8362BQZM GSTN

Display/Hide Columns:  Records Per Page :   Q

Invoice no.	Invoice date	Total invoice value (₹)	Total taxable value (₹)	Integrated Tax (₹)	Central tax (₹)	State/UT Tax (₹)	Cess (₹)	Source	Actions
B2B1	15/05/2021	1,11,111.00	11,111.00	0.00	277.78	277.78	0.00		<span>✎</span> <span>✖</span>
B2B	20/05/2021	13,214.00	12,31,234.00	0.00	30,780.85	30,780.85	0.00		<span>✎</span> <span>✖</span>

BACK

- Records per page feature – System will now provide the records per page feature in all the tables under 'Add Record Details' section leading to ease of viewing. This feature will allow the taxpayers to view customized number of records on per page. By default, the Records per page will be set at 10 records per page and can be increased to view 100 records per page.

Dashboard | Returns | GSTR-1/IFF | EXP English

6A - Exports Invoices HELP ⚙

ADD RECORD IMPORT EWB DATA

Processed records

Display/Hide Columns:  Records Per Page :

Invoice no.	Invoice date	GST Payment	Total invoice value (₹)	Total taxable value (₹)	Integrated Tax (₹)	Cess (₹)	Source	Actions
EXPWP	15/05/2021	With Payment of Tax	1,32,14,123.00	31,23,123.00	93,693.69	0.00		<span>✎</span> <span>✖</span>

BACK

# GST

- Steps to file GSTR-1/IFF – A new check has been introduced in the system which will check that whether the taxpayer has added new records after generating the summary. Taxpayers may please note that there would be changed flow in such a situation. In case new records have been added, the 'Submit' and 'Preview' buttons will be disabled till a new summary has been generated after updating records. This check will ensure that filing of GSTR-1/IFF always happens with the correct & update summary only, and no mistake happens in this regard. Taxpayer can upload details of outward supplies and file GSTR-1/IFF by following the steps enumerated below:
- ✓ Taxpayer can add or amend records in respective tables of GSTR-1/IFF
- ✓ Once the records are saved, taxpayer shall click on 'Generate Summary' button.

Dashboard > Returns > GSTR-1/IFF English

### GSTR-1 - Details of outward supplies of goods or services

E-INVOICE ADVISORY HELP

GSTIN -	Legal Name -	Trade Name -	* Indicates Mandatory Fields
FY -	Tax Period -	Status - Not Filed	Due Date -

Generate GSTR-1 Summary process is initiated. Post completion of request preview (summary PDF) shall be enabled. You can click refresh icon to check completion of request. Please wait for 5 minutes to regenerate the summary again.

- ✓ After the summary is successfully generated, system will enable 'Preview' and 'Submit' buttons
- ✓ If the taxpayer intends to verify summary of GSTR-1/IFF, taxpayer can click PREVIEW button to download summary PDF
- ✓ Taxpayer can make necessary changes before SUBIT/FILE of GSTR-1/IFF. However, if any new records are added after generating the summary, the 'Submit' and 'Preview' buttons will be disabled till a new summary has been generated by clicking 'Generate Summary' button after updating records
- ✓ Taxpayer will also be informed to generate new summary, in case the latest summary is not available/generated.

Dashboard > Returns > GSTR-1/IFF English

### GSTR-1 - Details of outward supplies of goods or services

E-INVOICE ADVISORY HELP

GSTIN -	Legal Name -	Trade Name -	* Indicates Mandatory Fields
FY -	Tax Period -	Status - Not Filed	Due Date -

The summary has been generated on 28/09/2021 15:48:05 and no changes have been made thereafter. Please click on Preview (summary PDF) to verify details and proceed to submit/file.

# GST

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- ✓ After the changes done in GSTR-1/IFF, taxpayer shall click on Generate summary button and can submit/file GSTR-1/IFF.

The next phase of the GSTR-1 enhancement will provide the taxpayers with an enhanced GSTR-1 online summary view, recipient(s) wise summary PDF and remove the need of 'Submit' before 'File'. The details regarding the same will also be informed to the taxpayers in due course.

## Electronic Commerce Operators (ECO) liable to pay GST on additional services

The Notification no. 17/2021-Central Tax (Rate) dated 18<sup>th</sup> November 2021 issued by Central Board of Indirect Taxes and Customs (CBIC) takes effect from 1<sup>st</sup> January 2022 and amends the notification no. 17/2017– Central Tax (Rate) dated 28 June 2017 categorizing services on which GST is to be paid by ECO.

Earlier, ECO were liable to pay GST on following services

- Transportation of passengers by a radio-taxi, motorcab, maxicab and motor cycle
- Providing accommodation in hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes
- House-keeping, such as plumbing, carpentering etc.

In addition to the above services, ECO would now be liable to pay GST on the following services:

- Transportation of passengers by a motorcycle, omni bus or any other motor vehicle;
- Supply of restaurant service other than the services supplied by restaurant, eating joints etc. located at specified premises (meaning of 'specified premises given below).

Further, it has also amended the explanation provided in the earlier notification as below:

- Motorcycle, motor vehicle and omni bus shall have the same meanings as assigned to them under the Motor Vehicle Act, 1988 (59 of 1988);
- 'Specified premises' means premises providing hotel accommodation service having declared tariff of any unit of accommodation above Rs.7500 per unit per day or equivalent.

Please [Click Here](#) to read Notification no. 17/2021–Central Tax (Rate) dated 18<sup>th</sup> November 2021.

## Withdrawal of GST exemption on certain services

The Government has issued Notification no.16 – CT(R) on 18<sup>th</sup> November 2021 amending earlier Notification no. 12/2017–CT(R) dated 28<sup>th</sup> June 2017 as below:

Sl.	Services	Earlier exemption	Amendment – Withdrawal of exemption
1.	Pure services (excluding works contract service or other composite supplies involving supply of any goods)	Pure services provided to the Central Government, State Government or Union territory or local authority or a Governmental authority or a Government entity by way of any activity in relation to any function entrusted to a Panchayat under article 243G (Powers, authority and responsibilities of Panchayats) of the Constitution of India or in relation to any function entrusted to a Municipality under article 243W of the Constitution of India (Powers, authority and responsibilities of Municipalities)	Pure services provided to a Government entity will no longer be exempt from GST
2.	Composite supply of goods and services in which the value of supply of goods constitutes not more than 25% of the value of the said composite supply	Composite supply of goods and services (in which the value of supply of goods constitutes not more than 25 % of the value of the said composite supply) provided to the Central Government, State Government or Union territory or local authority or a Governmental authority or a Government entity by way of any activity in relation to any function entrusted to a Panchayat under article 243G of the Constitution or in relation to any function entrusted to a Municipality under article 243W of the Constitution of India	Such Composite supply to a Government authority or entity will no longer be exempt from GST

# GST

Sl.	Services	Earlier exemption	Amendment – Withdrawal of exemption
3.	Transport of passengers, with or without accompanied belongings	<ul style="list-style-type: none"> <li>• Transport of passengers, with or without accompanied belongings, by</li> <li>• Air, embarking from or terminating in an airport located in the state of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, or Tripura or at Bagdogra located in West Bengal;</li> <li>• Non-air conditioned contract carriage other than radio taxi, for transportation of passengers, excluding tourism, conducted tour, charter or hire; or</li> <li>• Stage carriage other than air conditioned stage carriage</li> <li>• Railways in a class other than-               <ul style="list-style-type: none"> <li>✓ First class; or</li> <li>✓ Air-conditioned coach;</li> </ul> </li> <li>• Metro, monorail or tramway;</li> <li>• Inland waterways;</li> <li>• Public transport, other than predominantly for tourism purpose, in a vessel between places located in India; and</li> <li>• Metered cabs or auto rickshaws (including e-rickshaws)</li> </ul>	<p>ECO providing service by way of Transportation of passengers, with or without accompanied belongings, by –</p> <ul style="list-style-type: none"> <li>• Non-air conditioned contract carriage other than radio taxi, for transportation of passengers, excluding tourism, conducted tour, charter or hire; or</li> <li>• stage carriage other than air-conditioned stage carriage</li> <li>• metered cabs or auto rickshaws (including e-rickshaws)</li> </ul> <p>will no longer be exempt from GST</p>

Please [Click Here](#) to read the Notification no 16/2021–Central Tax (Rate) dated 18<sup>th</sup> November 2021.



## Changes in GST Rate on textile, footwear & apparels from 1st January 2022 onwards

CBIC has amended notification no.1/2017-CT(R) dated 28 June 2017 (with effect from 1st January 2022 onwards) to revise GST rate on following goods:

Heading	Goods	Existing Rate	Proposed Rate
5007	Woven fabrics of silk or of silk waste	5%	12%
5111 to 5113	Woven fabrics of wool or of animal hair		
5208 to 5212	Woven fabrics of cotton		
5309 to 5311	Woven fabrics of other vegetable textile fibres, paper yarn		
5407, 5408	Woven fabrics of manmade textile materials		
5512 to 5516	Woven fabrics of manmade staple fibres		
5607	Jute twine, coir cordage or ropes		
5608	Knotted netting of twine, cordage, or rope; made up fishing nets and other made-up nets, of textile materials		
5801	All goods		
5806	Narrow woven fabrics, other than goods of heading 5807; narrow fabrics consisting of warp without weft assembled by means of an adhesive (bolducs)		
5808	Saree fall		
5809, 5810	Embroidery or zari articles, that is to say,- imi, zari, kasab, saima, dabka, chumki, gota sitara, naqsi, kora, glass beads, badla, glzal		
60	Knitted or crocheted fabrics All goods		
61 or 6501 or 6505	Article of apparel and clothing accessories or cap/topi, knitted or crocheted, of sale value not exceeding INR 1000 per piece		
62	Articles of apparel and clothing accessories, not knitted or crocheted, of sale value not exceeding INR 1000 per piece		
63 [other than 6305 32 00, 6305 33 00, 6309]	Other made-up textile articles, sets, of sale value not exceeding INR 1000 per piece		
6309 or 6310	Worn clothing and other worn articles; rags		
64	Footwear of sale value not exceeding INR 1000 per pair		
63 [other than 6309]	Other made-up textile articles, sets of sale value not exceeding INR 1000 per piece		
5402, 5404, 5406	All goods other than synthetic filament yarns	18%	12%
5403, 5405, 5406	All goods other than artificial filament yarns.		
5501, 5502	Synthetic or artificial filament tow		
5503, 5504, 5506, 5507	Synthetic or artificial staple fibres		
5505	Waste of manmade fibres		

# GST

## Clarification on applicability of Dynamic QR Code on Business-to-Customer (B2C) invoices

CBIC has issued Circular no. 165/21/2021-GST on 17<sup>th</sup> November 2021 to clarify applicability of dynamic QR code in case where:

- Invoice is issued to a recipient located outside India, for
- Supply of services of which the 'place of supply' is in India, and
- The payment received by the supplier is not in foreign currency but through other modes approved by RBI.

In such case, invoice may be issued without a Dynamic QR Code.

Earlier, it was clarified that dynamic QR code is not required where invoice is issued to a recipient of services located outside India and payment is received in convertible foreign currency, but place of supply is in India.

Please [Click Here](#) to read Circular no.165/21/2021-GST dated 17<sup>th</sup> November 2021.



# GST

## CBIC clarifies time limit for claiming GST refund in certain cases

CBIC has issued Circular no. 166/22/2021-GST on 17<sup>th</sup> November 2021 to clarify refund related issues as below.

### Highlights

- Provisions of Section 54 regarding time period, within which an application for refund can be filed, are not applicable in cases of refund of excess balance in electronic cash ledger. Thereby such application would never be time-barred
- Unjust enrichment clause is not applicable in cases of refund of excess balance in electronic cash ledger
- The amount deducted / collected as tax deducted at source (TDS) / tax collected at source (TCS) and credited to the electronic cash ledger of the registered person is equivalent to cash deposited in the electronic cash ledger
- The registered person is at liberty to discharge his tax liability in respect of the supplies made by him during a tax period, either through debit in Electronic Credit Ledger or through debit in Electronic Cash Ledger, as per his choice and availability of balance in the said ledgers
- Any amount, which remains unutilized in Electronic Cash Ledger, after discharge of tax dues and other dues payable under CGST Act and rules made thereunder, can be refunded to the registered person as excess balance in Electronic Cash Ledger in accordance with the proviso to section 54(1), read with of section 49(6) of CGST Act
- Section 54(2)(b) of the CGST Act is applicable for determining relevant date in respect of refund of amount of tax paid on the supply of goods regarded as deemed exports, irrespective of the fact whether the refund claim is filed by the supplier or by the recipient
- Further CBIC clarified that, as the tax on the supply of goods, regarded as deemed export, would be paid by the supplier in his return, therefore, the relevant date for purpose of filing of refund claim for refund of tax paid on such supplies would be the date of filing of return, related to such supplies.

Please [Click Here](#) to read Circular no. 166/22/2021-GST dated 17<sup>th</sup> November 2021.

## Reduction in Excise duty on Petrol (Rs.13 / litre) & Diesel (Rs.8 / litre)

CBIC vide notification no. 9/2021-Central Excise dated 3<sup>rd</sup> November 2021 has reduced central excise duty by reducing Road and Infrastructure Cess (RIC) on petrol and diesel by INR 13/litre and INR 8/litre respectively. RIC is also reduced on import of goods.

Please [Click Here](#) to read the Notification no. 9/2021-Central Excise dated 3<sup>rd</sup> November 2021.



# Direct Tax

# Direct Tax

## Withholding tax on purchase of goods (section 194Q) & payment of sums by e-commerce operator to e-commerce participant (section 194O) – Clarifications issued by Government

### Section 194O of the Income-tax Act, 1961 ('Act') (withholding tax on payment by e-commerce operator to e-commerce participant) – Background

Finance Act, 2020 inserted a new section 194O in the Income-tax Act which mandates that with effect from 1<sup>st</sup> October 2020 onwards, an e-commerce operator shall deduct tax @ 1% of the gross amount of sale facilitated through its platform. Exemption has been provided in case of certain individuals / Hindu undivided family subject to fulfilment of certain conditions. The deduction is required to be made at the time of credit to the account of an e-commerce participant or payment thereof, whichever is earlier

### E-auction services carried out through electronic portal exempt from purview of section 194O

Reportedly, representations have been received by the Government from stakeholders involved in the business of carrying out e-auction services ('e-auctioneers'), claiming that section 194O should not be applicable in case of e-auction activities carried out by them. Based on the inputs received, Government has observed the following:

- The e-auctioneer conducts e-auction services for its clients in its electronic portal and is responsible for the price discovery only which is reported to the client
- The price so discovered through e-auction process is not necessarily the price at which the transaction takes place and it is up to the discretion of the client to accept the price or to directly negotiate with the counter-party
- The transaction of purchase / sale takes place directly between the buyer and the seller party outside the electronic portal maintained by the e-auctioneer. The price discovery acts only as the starting point for negotiation and conclusion of purchase / sale
- The e-auctioneer is not responsible for facilitating the purchase and sale of goods for which e-auction was conducted on its electronic portal except to the extent of price discovery
- Payments for the transactions are carried out directly between the buyer and the seller outside the electronic portal and the e-auctioneer does not have any information about the quantum and the schedule of payment which is decided mutually by the client and the counterparty
- For payment made to e-auctioneer for providing e-auction services, the client deducts tax under the relevant provisions of the Income-tax Act other than section 194O.

Considering the above, Government has clarified that section 194O shall not apply in relation to e-auction activities carried out by e-auctioneers if all the facts listed above are satisfied. The exemption shall not apply if any of these facts are not satisfied.

# Direct Tax

## **Section 194Q (WHT / TDS on purchase of goods) – Background**

Finance Act, 2021 inserted a new section 194Q applicable from 1st July 2021 onwards. It applies to any buyer paying any sum to any resident seller for purchase of goods of value > INR 5 million in any financial year. The buyer, at the time of credit or payment, whichever is earlier, is required to deduct tax @ 0.1% of the sum exceeding INR 5 million. 'Buyer' is defined to be person whose total sales / gross receipts / business turnover exceeds INR 100 million during the immediately preceding financial year. Central Government is authorised to specify by notification in Official Gazette, categories of persons who would not be considered as 'Buyer' for this purpose.

## **Adjustment of state levies & taxes other than GST while withholding tax u/s 194Q**

- In Circular no. 13 dated 30<sup>th</sup> June 2021, it has been provided that when tax is deducted at the time of credit, then the base amount on which tax is to be deducted should exclude GST. In case the tax is deducted on payment basis (if it is earlier than credit) the base amount has to be the whole amount (including GST) as it is not possible to identify that payment with GST component of the amount to be invoiced in future. Further, adjustment of tax deducted in case of purchase return has also been provided.
- Reportedly, Government has received representations that in case of goods which are not within the purview of GST (such as petroleum products), various levies like VAT, Excise duty, sales tax etc. are charged. While the treatment of GST has been clarified in Circular no. 13, the same is silent on other non-GST levies which have otherwise been subsumed and replaced by GST.
- Thus, Government has clarified that in case of purchase of goods which are not covered within the purview of GST, the same treatment shall be followed for VAT / Excise duty / Sales tax / CST while reckoning the base amount for the purpose of WHT u/s 194Q.

## **Applicability of section 194Q in case of a Government department not being a public sector undertaking (PSU)**

- Reportedly, Government has received representations from Government departments (both Central and State) to enquire if such departments are required to deduct tax u/s section 194Q. Government has clarified that in case of any Government Department which is not carrying out any business or commercial activity, the primary requirement for being considered as a 'buyer' u/s 194Q is not fulfilled. Accordingly, such an organization will not be considered as 'buyer' and will not be liable to deduct tax on the goods purchased by them. However, if the Government department is carrying on a business / commercial activity, section 194Q shall apply
- Further, Government has also received representation if a Government department shall be considered as 'seller' for the purpose of section 194Q. So, it has been clarified that Central Government or State Government shall not be considered as 'seller' and no tax is to be deducted by a buyer in cases where a Government Department is the seller of goods
- Further, it has been clarified that any other person, such as a PSU or corporation established under Central or State Act or any other such body, authority or entity, shall be required to comply with section 194Q and tax shall be deducted accordingly

Please [Click Here](#) to read Circular no.20 dated 25<sup>th</sup> November 2021.

# Direct Tax

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## Income-tax Settlement Commission (ITSC) - Central Board of Direct Taxes (CBDT) notifies E-Settlement Scheme, 2021

### Background

- The Finance Act, 2021 amended Income-tax Act, 1961 to provide that ITSC shall cease to operate from 1st February 2021 onwards. No application for settlement can be filed on or after 1<sup>st</sup> February 2021
- In order to dispose-off the pending settlement applications as on 31<sup>st</sup> January 2021, the Central Government has constituted the Interim Board for Settlement. For the pending cases, taxpayers have an option to withdraw their applications within the specified time and intimate the Assessing Officer (AO) about it.
- On 1<sup>st</sup> November 2021, CBDT has notified the E-Settlement Scheme, 2021. It is applicable to pending applications in respect of which the applicant has not exercised the option u/s 245M(1) and which has been allotted or transferred by CBDT to the Interim Board.

### Highlights of the Scheme

- Interim Board - The Interim Board shall conduct the e-settlement of pending applications as per provisions of the Scheme. For this purpose, The Interim Board shall have such income-tax authority, ministerial staff, executive or consultant to assist the members of the Interim Board, as considered necessary
- Allocation of pending applications - The Principal Director General of Income-tax (Systems) or the Director General of Income tax (Systems), as the case may be, shall, with the approval of CBDT, devise a process to randomly allocate or transfer the pending applications to the Interim Boards
- Procedure for settlement:
  - ✓ Interim Board shall intimate the applicant about the allocation or transfer of the case to it
  - ✓ Interim Board may call for records from the Principal Commissioner / Commissioner and may forward the necessary information / documents to him and direct him to make further enquiry / investigation and furnish a report within the specified time
  - ✓ Where the Principal Commissioner / Commissioner fails to furnish the report timely, the Interim Board may proceed to pass order u/s 245D(4) of the Act without waiting for the report
  - ✓ Where the report has been furnished by the Principal Commissioner / Commissioner, the Interim Board shall forward such report to the applicant and request the applicant to submit written response within the specified date and time
  - ✓ If the applicant fails to furnish the response timely, the Interim Board may proceed to pass the order u/s 245D(4) without waiting for the response

# Direct Tax

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- ✓ The Interim Board shall forward the response received from applicant, to the Principal Commissioner / Commissioner
- ✓ An opportunity of being heard shall be given by the Interim Board. After hearing the applicant and the Principal Commissioner / Commissioner and examination of all the information / documents, the Interim Board shall pass an order u/s 245D(4) which shall be delivered to the applicant vide the registered e-mail address along with a copy to the Principal Commissioner / Commissioner
- ✓ The order passed may be rectified by the Interim Board u/s 245D(6B) either suo motu or on an application made by the applicant or the Principal Commissioner / Commissioner
- ✓ The provisions of Chapter XIX-A of the Act shall thereafter apply to the pending applications allotted or transferred to the Interim Boards.
- Confidentiality - The proceedings before Interim Board shall not be open to public. No person (other than concerned parties), without permission of the Interim Board, shall remain present during such proceedings, even on video conferencing or video telephony
- Communication by Interim Board - The opportunity for hearing through video conferencing / video telephony shall be facilitated by an Income-tax authority authorised by the Interim Board, who will provide the link and password to the applicant and concerned parties in advance
- Communication exclusively by electronic mode / No personal appearance - All communications between the parties shall be exchanged by electronic mode. If any application is received in a mode other than electronic mode, it shall be forwarded by the Interim Board to the Principal Commissioner / Commissioner electronically, to the extent technologically feasible. The applicant shall not be required to appear either personally or through authorized representative in connection with any proceedings under the Scheme
- CBDT shall establish suitable facilities for video conferencing including telecommunication application software which supports video telephony at such locations as may be necessary, so as to ensure that the applicant is not denied the benefit of the Scheme merely because of lack of proper access to video conferencing

Please [Click Here](#) to read Notification no.129 dated 1<sup>st</sup> November 2021.



# Direct Tax

## Roll out of new Annual Information Statement (AIS) on Income-tax portal

Form 26AS was initially introduced as a tax credit statement containing details of taxes deducted / paid from the income of a taxpayer during a financial year. The Income-tax department has rolled out a new AIS on its portal, which provides a more comprehensive view of information relating to a taxpayer along with a facility to capture online feedback.

The new AIS can be accessed by clicking on the link 'Annual Information Statement' under the 'Services' tab on the new Income tax e-filing portal of the individual taxpayer. It includes additional information relating to interest, dividend, securities transactions, mutual fund transactions, foreign remittance, etc. A simplified Taxpayer Information Summary (TIS) is also generated for each taxpayer showing aggregated value for ease of filing returns by the taxpayer

The screenshot shows the 'e-Filing Anywhere Anytime' portal. The 'Services' dropdown menu is open, and 'Annual Information Statement (AIS)' is highlighted in green. Other options in the menu include Rectification, Refund Reissue, Condonation Request, Generate Electronic Verification Code (EVC), Manage ITD Reporting Entity Identification Number (TDREIN), and View/Download E-PAN. The dashboard also displays a 'Welcome Back' message, account update links, and a 'Pending Actions' section with a red notification icon.

The screenshot shows the 'AIS - Annual Information Statement' page. The 'Annual Information Statement (AIS)' option is highlighted in green. The page also displays the 'Taxpayer Information Summary (TIS)' option. The page includes a navigation bar with 'AIS', 'Resources', 'Rate Us', and 'Help' links, and a footer with 'india.gov.in' and various social media icons.

# Direct Tax

Compliance Portal | Insight

Call Us

Session time 17 : 39

Home > AIS > Annual Information Statement

Instructions AIS Activity History

## Annual Information Statement

F.Y. 2020-21

Taxpayer Information Summary **Annual Information Statement** Download

All values are in INR unless specified and have been rounded off to the nearest integer

### Part A - General Information

F.Y. 2020-21

Permanent Account Number (PAN)	Aadhaar Number XXXX XXXX	Name of Assessee	Date of Birth
Mobile Number	E-mail Address @gmail.com	Address	

### Part B

TDS/TCS Information SFT Information Payment of Taxes Demand and Refund Other Information

#### Part B1-Information relating to tax deducted or collected at source

Filter

Information Category	Information Code	Information Description	Information Source	Count	Amount Description	Amount
No records found						

Note - If there is variation between the TDS/TCS information as displayed in Form26AS on TRACES portal, and the TDS/TCS information as displayed in AIS on Compliance Portal, the taxpayer may rely on the information displayed on TRACES portal for the purpose of filing of tax return and for other tax compliance purposes.

india.gov.in national portal of india

Rate Us | Website Policies | Accessibility Statement | Site Map | Browser Support | Last reviewed and updated on : 25-NOV-2021  
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If a taxpayer finds any information in the AIS to be incorrect, duplicated or belonging to a different financial year, he can report the same in the form of a feedback. On submission of feedback, the derived information in TIS will be automatically updated in real time, by showing the processed value (i.e. the value generated after deduplication of information based on pre-defined rules) and derived value (i.e. the value derived after considering the taxpayer feedback and processed value).


# Direct Tax

Choose Feedback Type: Select

[Cancel](#)

- Information is correct
- Transfer not in the nature of sale
- Income is not taxable
- Information is not fully correct
- Information relates to other PAN/ Year
- Information is duplicate/ included in other information
- Information is denied

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national portal of India



Additionally, there is an option to download such TIS, which is password protected. The Form 26AS would continue to exist until the new AIS is validated and is completely operational. In case of difference between the TDS/TCS information as displayed in Form 26AS on TRACES portal and the ones as displayed in AIS on Compliance Portal, the taxpayer may rely on the information displayed on TRACES portal for the purpose of filing of ITR and for other tax compliance purposes.

By being enabled to view their consolidated income along with tax-related information at one place in the new AIS, tax filing is set to get easier for taxpayers.

Please [Click Here](#) to read the Press Release dated 1<sup>st</sup> November 2021.



The background is a solid yellow color. There are two blue geometric shapes: a triangle in the top-left corner and a trapezoidal shape in the bottom-left corner, both pointing towards the center.

# **International Tax**

# International Tax

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## Equalisation Levy 2020 - India & USA agree on a transitional approach

On 8<sup>th</sup> October 2021, India and United States joined 134 other members of the OECD/G20 Inclusive Framework (including Austria, France, Italy, Spain, and the United Kingdom) in reaching agreement on the Statement on a Two-Pillar Solution to address the tax challenges arising from the Digitalization of the economy.

On 21<sup>st</sup> October 2021, the United States and Austria, France, Italy, Spain, and the United Kingdom reached an agreement on a transitional approach to existing Unilateral Measures while implementing Pillar 1. The agreement is reflected in the joint statement that was issued by those 6 countries on that date ('October 21 Joint Statement').

India and United States have agreed that the same terms that apply under the October 21 Joint Statement shall apply between the United States and India with respect to India's charge of 2% Equalisation Levy on e-commerce supply of services and the United States' trade action regarding the said Equalisation Levy. However, the interim period that will be applicable will be from 1<sup>st</sup> April 2022 till implementation of Pillar One or 31<sup>st</sup> March 2024, whichever is earlier.

India and United States will remain in close contact to ensure that there is a common understanding of the respective commitments and endeavour to resolve any further differences of views on this matter through constructive dialogue.

The final terms of the Agreement shall be finalised by 1<sup>st</sup> February 2022.

Please [Click Here](#) to read the Press Release dated 24<sup>th</sup> November 2021.

## Transfer Pricing - CBDT clarifies the tolerance limit for arm's length price of an international transaction / specified domestic transaction for Assessment Year (AY) 2021-22

Section 92C of the Act prescribes the method for determination of the arm's length price in relation to an international transaction or specified domestic transaction. The Government has notified that for AY 2021-22, where the variation between the arm's length price (determined u/s 92C) and the price at which the international transaction or specified domestic transaction has actually been undertaken does not exceed 1% of the latter (i.e., actual price) in respect of wholesale trading and 3% of the latter in all other cases, the *actual price* at which the international transaction or specified domestic transaction has been undertaken shall be considered to be the arm's length price. 'Wholesale trading' for this purpose means an international transaction or specified domestic transaction of trading in goods which fulfils the following conditions, namely:

- Purchase cost of finished goods  $\geq$  80% or more of the total cost pertaining to such trading activities and
- Average monthly closing inventory of such goods  $\leq$  10% of sales pertaining to such trading activities

Please [Click Here](#) to read Notification no. 124 dated 29<sup>th</sup> October 2021.



# Company Law

# Company Law

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## Voluntary Liquidation under Insolvency & Bankruptcy Code, 2016 (IBC) – Waiver of requirement to obtain No Objection Certificate (NOC) from Income-tax Department

### Background

- Regulation 14 of the IBBI (Voluntary Liquidation Process) Regulations, 2017 mandates the liquidator to make the public announcement within 5 days of his appointment, calling for submission of claims by stakeholders within 30 days from the liquidation commencement date. The Regulations also obligate all the financial creditors, operational creditors including government and other stakeholders to submit their claims within the specified period. If the claims are not submitted in time, the corporate person may get dissolved without dealing with such claims and such claims may consequently get extinguished
- Reportedly, it has been noticed by the Government that even after providing opportunity for filing of claims, the liquidators seek NOC from the Income-tax department even though IBC does not envisage seeking such NOC
- Section 178 of the Income-tax Act, 1961 requires the liquidator of a company undergoing liquidation to obtain NOC from the Income-tax department. As per sub-section (6), section 178 has an overriding effect on all other laws except IBC.

### Circular issued on 15th November 2021 by Insolvency and Bankruptcy Board of India (IBBI)

IBBI has observed that the process of applying for and obtaining NOC from the tax department consumes substantial time and efforts and thus defeats the objective of time-bound completion of process under the IBC. So, IBBI has clarified / waived off the requirement to obtain any NOC from the tax department in course of voluntary liquidation under the IBC.

Please [Click Here](#) to read the circular dated 15<sup>th</sup> November 2021.

# Company Law

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## Ministry of Corporate Affairs (MCA) notifies procedure for transfer of shares to Investor Education & Protection Fund (IEPF)

MCA vide notification dated 9<sup>th</sup> November 2021 has notified the Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer & Refund) Amendment Rules, 2021 to introduce the procedure for transfer of shares to IEPF.

### **Background**

Pursuant to section 90 of Companies Act, 2013 ('Act') every individual holding beneficial interest > 25% in the shares of a company or right to exercise significant influence or control over that company, shall declare to the company specifying the nature of his beneficial interest. If no declaration is made by the beneficial interest holder, then company may apply to the National Company Law Tribunal for an order directing that such shares be restricted to any kind of transfer and all rights attached to the shares be suspended. Accordingly, 1 year post the order of Tribunal, all such shares shall be transferred to the IEPF created by the Central Government u/s 125 for the promotion of awareness and protection of investors.

### **Amendment in the IEPF Rules**

A new Rule 6A has been inserted which deals with the procedure for transfer of shares to IEPF and includes the following steps:

- The shares will be credited to the DEMAT account of the IEPF Authority within 30 days of such shares becoming due to be transferred;
- Transfer of shares by company to IEPF shall be deemed to be the transmission of shares;
- Such transfer of shares will be free from any restrictions and cannot be claimed back;
- To effect the transfer of shares, the Board of Directors shall authorize the Company Secretary or any other person to sign the necessary documents;
- Company shall file a statement of shares transferred to IEPF with MCA in Form IEPF-4 within 30 days of the transfer of shares to IEPF, containing details of such transfer along with a copy of the order of the Tribunal

Please [Click Here](#) to read the Notification dated 9<sup>th</sup> November 2021.



# Company Law

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## Extension of time limit till 30th December 2021 for filing Cost Audit Report in Form CRA-4 with Registrar of Companies (ROC)

As per Rule 6(5) of Companies (Cost Records & Audit) Rules, 2014, every Cost Auditor is required to submit the signed cost audit report to the company within 180 days from the close of each FY (i.e., on or before 30<sup>th</sup> September of each year).

Due to pandemic, MCA vide circular dated 27<sup>th</sup> September 2021 had extended the above time limit till 31<sup>st</sup> October 2021 for the FY 2020-21. The said time limit has again been extended from 31<sup>st</sup> October 2021 till *31<sup>st</sup> November 2021*.

Consequently, the time limit for filing cost audit report in Form CRA-4 for the FY 2020-21 (i.e., 30 days from the date of receipt of audit report by the company), has also been extended from 30<sup>th</sup> November 2021 till 30<sup>th</sup> December 2021.

Please [Click Here](#) to read the Circular dated 29<sup>th</sup> October 2021.

## Waiver of late fee in case of delay in filing financial statements & annual return for FY 2020-21 up to 31st December 2021

Pursuant to Companies Act, every company is required to file its annual financial statements in prescribed e-Forms AOC-4, AOC-4(CFS), AOC-4 XBRL and AOC-4 Non-XBRL on or before 29<sup>th</sup> October for each FY and annual return in prescribed e-Forms MGT-7 & MGT-7A on or before 28<sup>th</sup> November for the FY. MCA vide circular dated 29<sup>th</sup> October 2021 has allowed filing of the above forms till 31<sup>st</sup> December 2021 without any late fee.

Please [Click Here](#) to read the Circular dated 29<sup>th</sup> October 2021.

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# **Reserve Bank of India (‘RBI’)**

## Appointment of Internal Ombudsman (IO) by Non-Banking Financial Companies (NBFCs)

RBI vide notification dated 15<sup>th</sup> November 2021 has directed prescribed NBFCs registered with RBI u/s 45-IA of the RBI Act, 1934 to appoint an IO to deal with various complaints / grievances received by these NBFCs in day to day operations.

### **Applicability**

The prescribed NBFCs are:

- Deposit taking NBFCs with 10 or more branches;
- Non-Deposit taking NBFCs with asset size  $\geq$  Rs. 5,000 crore & having public customer interface

The exempted NBFCs are:

- Stand-alone Primary Dealer
- NBFC - Infrastructure Finance Company (NBFC-IFC);
- Core Investment Company (CIC);
- Infrastructure Debt Fund - NBFC (IDF-NBFC);
- NBFC – Account Aggregator (NBFC-AA);
- NBFC under Corporate Insolvency Resolution Process;
- NBFC in Liquidation;
- NBFC having only captive customers.

### **Eligibility criteria for appointment of an individual as IO**

Individual to be appointed as IO must meet the following eligibility criteria:

- The person shall be either a retired or a serving officer, not below the rank of Deputy General Manager or equivalent in any financial sector regulatory body / any other NBFC / Bank, with an experience of minimum of 7 years of working in areas such as non-banking finance, banking, financial sector regulation or supervision or consumer protection;
- The person shall not have worked / be working in the NBFC / companies belonging to the same group whose member is the NBFC in which he /she is being appointed as IO;
- The person appointed as IO shall not be above the age of 70 years at any point of time during the tenure as IO.

## **Tenure of IO**

The tenure of IO shall be for a fixed term of 3 years, but not exceeding 5 years and the same shall be indicated in the appointment letter. The IO shall not be eligible for reappointment or extension of tenure in the same NBFC.

## **Role & Responsibility of IO**

IO shall deal only with the complaints that have already been examined by the NBFC but have been partly or wholly rejected by the NBFC. In other words, IO shall not handle complaints received directly from the customers or members of the public.

Following types of complaints shall not be handled by the IO:

- Complaints related to frauds, misappropriation except those resulting from deficiency in service, if any, on the part of the NBFC;
- Complaints / references relating to (a) internal administration, (b) human resources, (c) pay and emoluments of staff;
- References in the nature of suggestions and commercial decisions of the NBFC;
- Complaints which have been decided by or are already pending in other forums such as Consumer Disputes Redressal Commission, Courts, etc.

## **Reporting to RBI**

NBFC shall put in place a system of periodic reporting of information to RBI as below:

- On a quarterly basis, the total number of complaints received, complaints partly or wholly rejected & complaints escalated to the IO shall be submitted to RBI within 15 days from the end of each quarter
- On an annual basis, the number of cases where the decision of IO has been rejected, cases closed by the IO & age-wise number of cases where the NBFC was yet to implement the decision of the IO to be submitted to RBI by 15<sup>th</sup> April of each year

Please [Click Here](#) to read Notification dated 15<sup>th</sup> November 2021.

## Replacement of London Interbank Offered Rate (LIBOR) by Overnight Alternative Reference Rate (ARR) as a new benchmark interest rate for deposits

RBI vide notification dated 11<sup>th</sup> November 2021 has permitted Banks to offer interest rates on Foreign Currency Non-Resident (FCNR) deposits using ARR as new benchmark interest rate in place of previously used LIBOR. Accordingly, interest rates on FCNR deposits are amended as below:

<b>Basis</b>	<b>Existing</b>	<b>Amended</b>												
Reference for arriving at the interest rates on FCNR deposits	LIBOR quoted / displayed by Foreign Exchange Dealers Association of India (FEDAI)	ARR for the respective currency quoted / displayed by FEDAI												
Base for fixing ceiling rates for the interest rates offered in the following month	LIBOR as on the last working day of the preceding month	ARR for the respective currency as on the last working day of the preceding month												
Interest rates ceiling on FCNR deposits	<table border="1"><thead><tr><th><b>Period of deposit</b></th><th><b>Ceiling rate</b></th></tr></thead><tbody><tr><td>1-3 years</td><td>LIBOR+200 basis points</td></tr><tr><td>3-5 years</td><td>LIBOR+300 basis points</td></tr></tbody></table>	<b>Period of deposit</b>	<b>Ceiling rate</b>	1-3 years	LIBOR+200 basis points	3-5 years	LIBOR+300 basis points	<table border="1"><thead><tr><th><b>Period of deposit</b></th><th><b>Ceiling rate</b></th></tr></thead><tbody><tr><td>1-3 years</td><td>ARR+250 basis point</td></tr><tr><td>3-5 years</td><td>ARR+350 basis point</td></tr></tbody></table>	<b>Period of deposit</b>	<b>Ceiling rate</b>	1-3 years	ARR+250 basis point	3-5 years	ARR+350 basis point
<b>Period of deposit</b>	<b>Ceiling rate</b>													
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3-5 years	LIBOR+300 basis points													
<b>Period of deposit</b>	<b>Ceiling rate</b>													
1-3 years	ARR+250 basis point													
3-5 years	ARR+350 basis point													

Please [Click Here](#) to read Notification dated 11<sup>th</sup> November 2021.

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# **Securities Exchange Board of India ('SEBI')**

## Listed entities to submit Related Party Transactions (RPTs) disclosures to the Stock Exchange(s) on half yearly basis

SEBI vide notification dated 9<sup>th</sup> November 2021 has notified SEBI Listing Obligations & Disclosure Requirements (LODR) 6<sup>th</sup> Amendment Regulations, 2021 by virtue of which following key changes have been introduced with respect to RPTs undertaken by listed entities in their day to day operations, applicable from 1<sup>st</sup> April 2022 onwards:

- Listed entities shall submit disclosures of their RPTs to the Stock Exchange(s) in the format prescribed by SEBI, within 15 days from the publication of its standalone and consolidated financial results on half yearly basis;
- RPTs shall be considered material, if the transaction(s) to be entered individually or taken together with previous transactions during a FY, exceeds Rs. 1000 crore or 10% of the annual consolidated turnover of the listed entity as per its last audited financial statements, whichever is lower;
- Listed entities shall formulate a policy on materiality of RPTs including clear threshold limits duly approved by the Board of Directors and such policy to be reviewed once in every 3 years and updated accordingly;
- All RPTs and subsequent material modifications shall require prior approval of the Audit Committee of the listed entity. Furthermore, the Audit Committee shall define material modifications and disclose it as part of the policy on materiality of RPTs

Please [Click Here](#) to read Notification dated 9<sup>th</sup> November 2021.



# Compliance Calendar

## Compliance calendar for the month of December 2021

Compliance Due Date:	Concerned (Reporting) Period:	Compliance Detail:	Applicable To:
7 <sup>th</sup> December	November 2021	TDC/TCS deposit	Non-government Deductors
		Equalization Levy deposit	All Deductors
10 <sup>th</sup> December		a) GSTR-7 (TDS return under GST)	a) Person required to deduct TDS under GST
		b) GSTR-8 (TCS return under GST)	b) Person required to deduct TCS under GST
11 <sup>th</sup> December		GSTR-1 (Outward supply return)	Taxable persons having turnover > Rs. 5 crore
13 <sup>th</sup> December		GSTR-6 [Return by input service distributor (ISD)]	Person registered as ISD
		Invoice Furnishing Facility - IFF (Details of outward supplies of goods or services)	Taxable persons having turnover < Rs. 5 crore
15 <sup>th</sup> December		Deposit of PF & ESI contribution	All Deductors
	FY 2021-22	3rd Installment of Advance Tax	Taxpayers liable to pay advance tax
20 <sup>th</sup> December	November 2021	a) GSTR-5 (Return by Non-resident)	a) Non-resident taxable person
		b) GSTR-5A [Online Information Database Access and Retrieval (OIDAR) services return]	b) OIDAR services provider
		GSTR-3B (Summary return)	All taxable persons (except composition dealer) having annual turnover > Rs. 5 crore in FY 2020-21
25 <sup>th</sup> December		Form GST PMT-06 (Payment of tax for Quarterly filers)	All taxable persons (except composition dealer) having annual turnover < Rs. 5 crore in FY 2020-21
30 <sup>th</sup> December	FY 2020-21	Filing of Annual Accounts in Form 8 (ROC)	Limited Liability Partnerships (LLPs)
31 <sup>st</sup> December		Annual Return in Form GSTR-9	All taxpayers having aggregate turnover > Rs. 2 crore in FY 2020-21
		Annual Return in Form GSTR-9A	Composition taxpayers having aggregate turnover > Rs. 2 crore in FY 2020-21
		Reconciliation Statement in Form GSTR-9C	All taxpayers having aggregate turnover > Rs. 5 crore in FY 2020-21
		Income-tax Return for AY 2021-22	All assesseees other than <ul style="list-style-type: none"> <li>• Corporate-assessee</li> <li>• Non-corporate assessee (whose books of account are required to be audited)</li> <li>• Partner of a firm whose accounts are required to be audited</li> <li>• Assesseees required to furnish Transfer Pricing report u/s 92E</li> </ul>
		Form AOC-4 (Annual accounts)	All Companies are required to file Annual accounts with ROC within 30 days from conclusion of AGM



# About KrayMan

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KrayMan Consultants LLP is an Accounting and multi-disciplinary Advisory Firm founded in 2012 by professionals with Big-4 Consulting and Industry experience. Our forte lies in handholding foreign companies establishing presence in India by demystifying the complex Indian regulatory environment making it easy for them to do business in India. Since inception, we have been delivering value to a mix of multinational Clients from across the globe

The Leadership team comes with rich experience and is supported by a capable & efficient team of professionals including Chartered Accountants, Company Secretaries, Cost Accountants, Advocates and MBAs who are committed in providing timely, professional and quality services to our Clients

We believe that in today's dynamic and ever changing business environment, it is important for accounting, tax & legal professionals to operate with a global approach and mind set. In pursuit of extending global footprints, we have a Japan Desk and an EU Desk to support investments from these countries into India.

In addition, we are members of various associations and forums both at national as well as international levels viz. JCCII, IICCI, IFCCI, CBA, PAN, CII and TiE Delhi

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