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NEWSLETTER

AJAY RATTAN & CO. Chartered Accountants

Newsletter For March'22
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COMPLIANCE

DUE DATES | MARCH 2022

Due Date	Compliance Detail	Applicable To
7 th	a) TDC/TCS deposit b) Equalization Levy deposit	a) Non-government Deductors b) All Deductors
10 th	a) GSTR-7 (TDS return under GST) b) GSTR-8 (TCS return under GST)	a) Person required to deduct TDS under GST b) Person required to deduct TCS under GST
11 th	GSTR-1 (Outward supply return)	Taxable persons having turnover > Rs.5 crore
13 th	a) GSTR-6 [Return by input service distributor (ISD)] b) Invoice Furnishing Facility - IFF (Details of outward supplies of goods or services)	a) Person registered as ISD b) Taxable persons having turnover < Rs.5 crore
15 th	a) Deposit of PF & ESI contribution b) 4th instalment of advance tax for the AY 2022-23 c) Income-tax Return (ITR) d) Form AOC-4 (Annual accounts)	a) All Deductors b) Taxpayers liable to pay advance tax c) Taxpayers required to furnish Transfer Pricing (TP) report in Form 3CEB (including partner of a partnership firm / LLP) Taxpayers required to get their accounts audited (including partner of a partnership firm / LLP) and not covered above d) All Companies are required to file Annual accounts with ROC
20 th	a) GSTR-5 (Return by Non-resident) b) GSTR-5A [Online Information Database Access and Retrieval (OIDAR) services return] c) GSTR-3B (Summary return)	a) Non-resident taxable person b) OIDAR services provider c) All taxable persons (except composition dealer) having annual turnover > Rs.5 crore in FY 2020-21 All taxable persons (except composition dealer) having annual turnover < Rs.5 crore in FY 2020-21 but have opted for monthly filing.
25 th	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 and have opted for quarterly filing.
30 th	Last date for Linking Aadhaar with PAN	Individuals (except senior citizens > 80 years of age, foreign citizens, non-residents)
31 st	a) Belated / Revised ITR b) Form MGT-7 (Annual return)	a) Taxpayers willing to file belated / revised return for AY 2021-22 b) All Companies are required to file Annual return with ROC



COMPANY LAW

Waiver of late filing fees on financial statements till 15th March 2022 & annual return filed till 31st March 2022 for FY 2020-21

Ministry of Corporate Affairs (MCA) vide circular dated 14th February 2022 has notified that no late filing fees shall be levied upto 15th March 2022 for filing financial statements for FY 2020-21 with the Registrar of Companies (ROC) in the prescribed e-forms such as AOC-4, AOC-4(CFS), AOC-4 XBRL.

Further no late filing fees shall be levied upto 31st March 2022 for filing annual return for FY 2020-21 with the ROC in the prescribed e-forms MGT-7 and MGT-7A.

Circular No. 01/2022 dated 14th February 2022.

Certain provisions of the Companies Act, 2013 to also apply to LLPs

Relevant section of the companies Act, 2013	Provisions dealing with
90	Filing of Significant Beneficial Owner (SBO) interest with ROC and maintaining prescribed register and records
164	Grounds of disqualification for appointment as Directors in company and Designated Partners in LLP
165	<ul style="list-style-type: none"> • Maximum number of companies in which a Director holds directorships shall not exceed 20; • Maximum number of LLPs in which a Designated Partner is appointed shall not exceed 20;
167	Grounds for vacation of office by a Director in company/ Designated Partner in LLP
206(5)	Inspection of books and papers of a company/ LLP in the event of special circumstances by an Inspector appointed by the Central Government
207(3)	Conduct of inspection and enquiry by Registrar/ Inspector of books of accounts and other books and papers of company/ LLP
252	Appeal filed with National Company Law Tribunal against order of the Registrar to dissolve a company/ LLP
439	Offences to be considered non-cognizable

Notification No. CG-DL-E-12022022-233372 dated: 11th February 2022

Provisions of the LLP Amendment Act, 2021 dealing with the concept of small LLPs & relaxing residential period requirements for Designated Partners shall come into effect from 1st April 2022 onwards

MCA vide notification dated 11th February 2022 has notified certain provisions of the LLP Amendment Act, 2021 which shall come into effect from 1st April 2022 onwards. Some of the key sections notified are mentioned below:

Notified section	Provisions dealing with
1	Commencement of the LLP Amendment Act, 2021
2	Replacement of the term ‘Companies Act, 1956’ by ‘Companies Act, 2013’ at all places in the principal LLP Act, 2008
3	<p>Introduction of the concept of Small LLPs:</p> <ul style="list-style-type: none"> • Similar to the concept of ‘Small Companies’ under Companies Act, 2013, the concept of ‘Small LLPs’ is introduced in the LLP Amendment Act, 2021 • Small LLP means an LLP whose: <ul style="list-style-type: none"> ✓ Contribution < Rs.25 Lakh subject to the maximum cap of Rs.5 Crore; and ✓ Turnover as per the statement of accounts and solvency of the immediately preceding FY < Rs40 Lakh subject to maximum cap of Rs.50 Crore; or ✓ which fulfils such other terms and conditions as may be prescribed by MCA in the near future
4	<p>Relaxation in the residential period threshold for Designated Partners.</p> <p>As per LLP Act, 2008, every LLP is mandatorily required to appoint atleast 1 Designated Partner who should be a resident in India for at least 182 days during the immediately preceding FY. The LLP Amendment Act, 2021, has reduced the said requirement from 182 days to 20 days during the FY, a welcome move by the MCA especially for foreign companies wishing to set up LLP in India</p>
5, 6, 10, 11, 13, 15, 16, 17, 18 & 24	<ul style="list-style-type: none"> • Decriminalization of a total of 12 offences; • Total number of penal provisions reduced to 22; • Overall compoundable offences (i.e., those offences which can be condoned by payment of prescribed monetary penalty) and non-compoundable offences to be reduced to 7 and 3 respectively

Notification No. CG-DL-E-12022022-233366 dated: 11th February 2022



UPDATES

1. E- Invoicing applicable for taxpayers having annual turnover > INR 20 crore [Refer notification no- 1/2022 dated 24th February 2022]

The CBIC has notified that with effect from 1st April 2022 onwards, e-invoicing provisions shall be applicable to taxpayers having aggregate turnover > Rs. 20 crores (the said limit was previously reduced from Rs. 100 crores to Rs. 50 crores with effect from 1st April 2022).

2. Furnishing of Letter of Undertaking (LUT) for financial year 2022-23 live on the GST Portal

LUT is a document that exporters are required to file annually to export goods/ services without payment of taxes under the GST Law. The option to furnish LUT online in Form GST RFD-11 for FY 2022-23 is now on GST Portal. The validity of LUT for FY 2021-22 will end on 31st March 2022.

3. Setup of 'GST Refund Help Desk' by the Government [update dated 17.02.2022]

CBIC has setup “GST Refund Help Desk” in the office of Principal Chief Controller of Accounts (Pr. CCA) to address payment related problems faced by the taxpayers.

4. Upcoming Improvement in Form GSTR1 (Outward Supply Return)

The CBIC has issued an update on 23rd February 2022 regarding upcoming enhancements and improvements in Form GSTR 1.

5. Deployment of Interest Calculator in GSTR 3B (Summary Returns)

The new functionality of interest calculator in GSTR 3B is now live on the portal. The functionality is likely to improve ease of filing return under GST and is therefore, in the direction of further reducing the compliance burden for taxpayers.

Module- wise new functionalities deployed on the GST Portal

Various new functionalities are implemented time to time on the GST portal for the benefit of stakeholders.

The following new functionalities have been introduced:

Relating to	Form/Functionality	Detail
Registration	Aadhaar authentication made mandatory for filing of Revocation application in Form REG-21 1 by Regular Taxpayers [i.e., taxpayers others than categories such as Casual Taxable Person, Non-Resident Taxable Person, Composite Suppliers, Online Information Data Base Access and Retrieval (OIDAR), etc.)	Regular taxpayers will now not be able to file Revocation application in Form REG-21 if they have not got their Aadhaar authentication done/e KYC verified with Aadhaar enrolment ID
	Submission of Aadhaar enrolment ID for e-KYC verification for Existing and New registrations	Existing taxpayers as well as persons/entities applying for new registration, are now mandatorily required to provide Aadhaar enrolment ID no, for e-KYC verification
	Triggering of alerts to Returns Module in case of change in status/ category of Taxpayer	Now, an appropriate alert will be displayed in the Returns Module to the taxpayers whenever the status of the taxpayer or taxpayer category is changed due to following actions by tax officer at back-office in Registration Module: Registration restoration happens through Restoration of Registration functionality in back-office portal for registration applications revocation applications and cancellation applications. - Compulsory withdrawal from composition Levy.
Registration	Filing of application for revocation of cancellation of registration in Form Reg-21 by taxpayers	<ul style="list-style-type: none">• Taxpayers can file an application for revocation of cancellation of registration done by the tax official suo-moto, within 30 calendar. days from the date on which cancellation order was passed.• Vide Notification No. 15/2021-Central Tax, dated 18.05.2021, Rule 23 of the CGST Act, 2017, was amended. The amended provisions provide for extension of time limit

		<p>for applying for revocation of cancellation of registration on sufficient cause being shown.</p> <ul style="list-style-type: none"> • Taxpayers will now be able to file revocation application even after 30 calendar days (but within 90 calendar days) from the date on which cancellation order was passed. To do so they will be required to fill additional fields such as Reason for Condonation for delay and can also add supporting documents. • in such cases their application will be forwarded to competent authority for • condonation of delay and post approval of the competent authority will get assigned to respective jurisdictional authority for processing after condonation of delay.
Return	Reduction in frequency of filing of statement in Form ITC – 04, based on aggregate turnover	<ul style="list-style-type: none"> • Earlier, the taxpayers sending the goods for job work were required to file details of goods, sent and received back or disposed of from the business place of the job worker, in Form GST ITC-04 on a quarterly basis. • The Law Committee, in its meeting held on 30th June 2021, decided to make the frequency of filing Form GST ITC-04 either half yearly or annual, based on aggregate turnover of preceding financial year. • Now the taxpayers having aggregate turnover exceeding Rs. 5 Crore in the preceding year will be required to file form ITC-04 on a half yearly basis whereas all other taxpayers would be required to file it on annual basis.
Returns	Enhancement in Search HSN functionality	<ul style="list-style-type: none"> • To help taxpayers search for HSN Code for Goods or Services, the Search HSN facility has now been enhanced where the taxpayer can search the HSN code and the applicable technical description through common parlance/ trade description of the goods/ services as they are known in the Trade. It helps the taxpayers to search HSN Code by providing description or even a part of the description. This facility is available at both pre-login and post-login. • The users can now navigate Services > User Services Search HSN > Search by Description> and search under Goods or Services by selecting the appropriate radio button and entering the Captcha.
	Blocking filing of statement of outward supplies in form GSTR 1 in case of non-	<ul style="list-style-type: none"> • Changes have been implemented on the portal in terms of Notification No 35/2021 CT,

	filing of returns in Form GSTR 3B for the preceding tax period	<p>dated 24th September, 2021, amending rule 59 (6) (a) & (b) of the CGST Act.</p> <ul style="list-style-type: none"> • Consequently, with effect from 1st January 2022 onwards, GSTR-1/ Invoice Furnishing Facility (IFF) filing for a particular period will now be allowed for regular taxpayers (including monthly and quarterly filers) only if the taxpayers have filed the return in Form GSTR-3B for the preceding tax period
Refunds	Aadhaar authentication made mandatory for filing of refund of IGST paid on export of goods and filing of refund application in Form RFD-01 in other case	<ul style="list-style-type: none"> • Now, GST System will transmit the export invoice details of the taxpayer to ICEGATE for processing the IGST refund only if the Aadhaar authentication or uploading of e-KYC documents have been successfully done. Therefore, the system will not transmit export invoice details to the ICEGATE if the taxpayer has not undergone Aadhaar authentication or uploaded e-KYC documents (to mandatorily include Aadhaar enrolment ID) • Similarly, the taxpayer will now not be able to file applications for refund in Form RFD-01, in case they have not undergone Aadhaar authentication or uploaded e-KYC documents (to mandatorily include Aadhaar enrolment ID). In case such taxpayers initiate an application for refund, they will be displayed suitable error messages
Payments	Removal of names of merged Banks from GST Portal	Out of the erstwhile 25 banks authorized for GST payments, 8 banks Le Allahabad Bank, Andhra Bank, Corporation Bank, Dena Bank, Oriental Bank of Commerce, Syndicate Bank, Vijaya Bank and United Bank of India have merged with other banks, and, therefore, deleted from payment gateway of GST portal. Only the remaining 17. Agency banks are now available to the taxpayers for making GST related payments



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