

**AUGUST**  
**2021**

# NEWSLETTER

## TAX

- Income Tax
- Goods and Services Tax



## **Lovi Mehrotra & Associates**

**Chartered Accountants**

**21-22 IInd Floor Krishna Nagar Safdarjung Enclave  
New Delhi 110029**

**Website : [www.lma.co.in](http://www.lma.co.in) • Email : [a.kaushik@lma.co.in](mailto:a.kaushik@lma.co.in)**

## INCOME TAX

### **1. Extension of timelines for electronic filing of various Forms under the Income-tax Act,1961**

CBDT

Circular No. 15/2021 dated 3.08.2021

CBDT has provided relaxation in respect of the following compliances: -

Particulars	Provisions/Rule	Existing due date	Extension of due date Vide Circular No. 12/2021	Further Extended Due Date Vide this circular
Quarterly statement in <b>Form No.15CC</b> to be furnished by Authorized Dealer in respect of remittances made for the quarter ending on <b>30<sup>th</sup> June, 2021</b>	Rule 37BB	15.07.2021	31.07.2021	31.08.2021
Equalization Levy Statement in <b>Form No.1</b> for the <b>FY 20-21</b>	-	30.06.2021	31.07.2021	31.08.2021
Statement of income paid or credited by an Investment Fund to its unit holders in <b>Form No.64D</b> for <b>PY 20-21</b>	Rule 12CB	15.06.2021	15.07.2021	15.09.2021
Statement of income paid or credited by an Investment Fund to its unit holders in <b>Form No.64C</b> for <b>PY 20-21</b>	Rule 12CB	30.06.2021	31.07.2021	30.09.2021
Intimation to be made by a Pension Fund in respect of each investment made by it in India in <b>Form No.10BBB</b> for the quarter ending on <b>30<sup>th</sup> June,2021</b>	Rule 2DB	31.07.2021	NA	30.09.2021
Intimation to be made by Sovereign Wealth Fund in respect of investments made by it in India in <b>Form II SWF</b> for the quarter ending on <b>30<sup>th</sup> June,2021</b>		31.07.2021	NA	30.09.2021

[Circular No.15](#)

### **2. Income-tax (22<sup>nd</sup> Amendment) Rules,2021**

CBDT

Notification No. 90/2021 dated 9.08.2021

Vide this notification, CBDT has issued the Income tax (22<sup>th</sup> Amendment) Rules, 2021 to further amend the Income-tax Rules, 1962. Following amendments have been made:

#### **1) A new Rule 21AI has been inserted which deals with Computation of exempt income of Specified Fund under section 10(4D), namely:**

- Income attributable to **units held by non-resident** (not being the permanent establishment of a non-resident in India) in a specified fund shall be computed in accordance with the following formula: -

**A\*C1 + B\*C2 +D\*F1+E\*F2**, where,

**A** = any income arising to a fund upon transfer of capital asset as per Section 47(viab) on a recognised stock exchange located in any International Financial Services Centre and the consideration for such transaction is paid or payable in convertible foreign exchange.

**B** = any income accrued or arisen to, or received by a fund as a result of transfer of securities (other than shares in a company resident in India).

**C1** = ratio of the aggregate of daily 'assets under management' of the fund held by non-resident

unit holders to the aggregate of daily total 'assets under management' of the fund, from the date of acquisition of the capital asset to the date of transfer of such capital asset.

**C2**= ratio of the aggregate of daily 'assets under management' of the fund held by non-resident unit holders to the aggregate of daily total 'assets under management', from the date of acquisition of the security to the date of transfer of such security.

**D** = any income accrued or arisen to, or received by a fund from securities issued by a non-resident and where such income otherwise does not accrue or arise in India.

**E** = any income accrued or arisen to, or received by a fund from a securitisation trust which is chargeable under the head "profits and gains of business or profession".

**F1** = ratio of the 'assets under management' in the fund held by non-resident unit holders to the total 'asset under management', as on the date of receipt of such income from securities issued by a non-resident and where such income otherwise does not accrue or arise in India.

**F2** = ratio of the 'assets under management' in the fund held by non-resident unit holders to the total 'asset under management', as on the date of receipt of such income from a securitisation trust which is chargeable under the head "profits and gains of business or profession".

- The specified fund shall furnish an annual statement of exempt income in **Form No. 10IG** electronically under digital signature on or before the due date, which is duly verified in the manner indicated therein.

**2) A new Rule 21AJ has been inserted which deals determination of income of a specified fund attributable to units held by non-residents under sub-section (1A) of section 115AD, namely:**

- Income of a specified fund **by way of short-term or long-term capital gains**, attributable to the units held by non-resident (not being the permanent establishment of a non-resident in India) shall be calculated in accordance with the following formula: -

**A = B \* C** where,

**A** = income attributable to the units held by non-resident

**B** = income arising from transfer of the security

**C** = ratio of the aggregate of daily 'assets under management' held by non-resident unit holders to the aggregate of daily total 'assets under management', from the date of acquisition of the security to the date of transfer of such security.

- Income of a specified fund by way of income received in respect of securities, referred to in clause (a) of sub-section (1) of section 115AD, attributable to the units held by non-resident (not being the permanent establishment of a non-resident in India) shall be calculated in accordance with the following formula: -

**X = Y \* Z** where,

**X** = income attributable to the units held by non-resident

**Y** = income received in respect of securities

**Z** = ratio of the 'assets under management' held by non-resident unit holders to the total 'asset under management', as on the date of receipt of such income.

- The specified fund shall furnish an annual statement of income eligible for concessional taxation in **Form No 10IH** electronically under digital signature on or before the due date, which is duly verified in the manner indicated therein.

[Notification No.90](#)

**3. Income-tax (23<sup>rd</sup> Amendment) Rules,2021**

CBDT

Notification No. 92/2021 dated 10.08.2021

Vide this notification, CBDT has issued the Income tax (23<sup>rd</sup> Amendment) Rules, 2021 to further amend the Income-tax Rules, 1962. Following amendment have been made:

1. A new **Rule 10RB** has been inserted which deals with relief in tax payable under section 115JB(1) due to operation of sub section (2D) of section 115JB (computation of book profit & minimum alternative tax credit) namely:-

- The tax payable by the assessee company under section 115JB(1), for the previous year, shall be reduced by the following amount:-

**(A-B) - (D-C)** where,

**A** = tax payable by the company on the book profit of the previous year including the past income.

**B** = tax payable by the company on the book profit of the previous year after reducing the book profit with the past income.

**C** = Aggregate of tax payable by the company on the book profit of those past year or years to which the past income belongs.

**D** = Aggregate of tax payable by the company on the book profit of past year or years, referred to in item C, after increasing the book profit with the relevant past income of such year or years.

Provided that if the value of (A-B)-(D-C) in the formula is negative, its value shall be deemed to be zero.

- The past income shall be the amount of income of past year or years included in the book profit or the previous year on account of an advance pricing agreement entered into by the assessee under section 92CC or on account of secondary adjustment required to be made under section 92CE.
- On application of provision of sub-rule (1), the tax credit allowed to the assessee under section 115JAA (tax credit in respect of tax paid on deemed income) shall be reduced by the amount which is equal to the amount of reduction that has been allowed under sub-rule (1).
- The assessee company shall make a claim for relief under sub-section (2D) of section 115JB in Form No. 3CEEA electronically by uploading signed printout of said Form in the manner specified by the Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems), as the case may be.

[Notification No.92](#)

#### 4. Income-tax (24<sup>th</sup> Amendment) Rules,2021

CBDT

Notification No. 93/2021 dated 18.08.2021

Vide this notification, CBDT has issued the Income tax (24<sup>th</sup> Amendment) Rules, 2021 to further amend the Income-tax Rules, 1962. Following amendment have been made:

1. **Rule 12AA**, has been inserted which specifies, prescribed person for the purposes of clause (c) and clause (cd) of section 140 (ITR verification of company/LLP by prescribed person), namely:  
For the purpose of clause (c) or clause (cd), as the case may be, of section 140, any other person shall be the person, appointed by the adjudicating authority for discharging the duties and functions of an interim resolution professional, a resolution professional, or a liquidator, as the case may be.
2. **Rule 51B**, has been inserted which specifies, appearance by authorised representative in certain cases, namely:  
For the purposes of clause (viii) of sub-section (2) of section 288, any other person, in respect of a company or a limited liability partnership, shall be the person appointed by the adjudicating authority for discharging the duties and functions of an interim resolution professional, a resolution professional, or a liquidator, as the case may be.

[Notification No.93](#)

**5. Extension of timelines for electronic filing of various Forms under the Income-tax Act,1961**

CBDT

Circular No. 16/2021 dated 29.08.2021

CBDT has provided relaxation in respect of the following compliances: -

Particulars	Provisions/Rule	Existing due date	Extension of due date Vide Circular No. 12/2021 or 15/2021	Further Extended Due Date Vide this circular
Application for registration or intimation or approval in <b>Form No. 10A</b>	Section 10(23C), 12A, 35(1)(ii)/(iia)/(iii) or 80G	30.06.2021	31.08.2021	31.03.2022
Application for registration or approval in <b>Form No. 10AB</b>	section 10(23C), 12A or 80G	28.02.2022	-	31.03.2022
Equalization Levy Statement in <b>Form No.1</b> for <b>FY-20-21</b>		30.06.2021	31.08.2021	31.12.2021
Quarterly Statement in <b>Form No.15CC</b> for <b>quarter ending 30<sup>th</sup> June 2021</b>	Rule 37BB	15.07.2021	31.08.2021	30.11.2021
Quarterly Statement in <b>Form No.15CC</b> for quarter ending <b>30<sup>th</sup> September 2021</b>	Rule 37BB	15.10.2021	-	31.12.2021
Uploading of the declarations received from recipients in <b>Form No.15G/15H</b> during the <b>quarter ending 30<sup>th</sup> June, 2021</b>		15.07.2021	31.08.2021	30.11.2021
Uploading of the declarations received from recipients in <b>Form No.15G/15H</b> during the quarter ending <b>30<sup>th</sup> September, 2021</b>		15.10.2021	-	31.12.2021
Intimation to be made by Sovereign Wealth Fund in respect of investments made by it in India in <b>Form II SWF</b> for the quarter ending on <b>30<sup>th</sup> June,2021</b>		31.07.2021	30.09.2021	30.11.2021
Intimation to be made by Sovereign Wealth Fund in respect of investments made by it in India in <b>Form II SWF</b> for the quarter ending on <b>30<sup>th</sup> September,2021</b>		31.10.2021	-	31.12.2021
Intimation to be made by a pension fund in respect of each investment made by it in India in <b>Form No.10BBB</b> for the quarter ending on <b>30<sup>th</sup> June,2021</b>	Rule 2DB	31.07.2021	30.09.2021	30.11.2021
Intimation to be made by a pension fund in respect of each investment made by it in India in <b>Form No.10BBB</b> for the quarter ending on <b>30<sup>th</sup> September,2021</b>	Rule 2DB	31.10.2021	-	31.12.2021
Intimation by constituent entity, residing in India of an international group, the parent entity of which is not residing in India in <b>Form No.</b>	Section 286(1)	30.11.2021	-	31.12.2021



<b>3CEAC</b>				
Report by a parent entity or an alternate reporting entity or any other constituent entity, residing in India in <b>Form No. 3CEAD</b>	Section 286(4)/286(2)	30.11.2021	-	31.12.2021
Intimation on behalf of an international group in <b>Form No. 3CEAE</b>	Section 286(4)	30.11.2021	-	30.12.2021
<a href="#">Circular No.16</a>				

## **GOODS AND SERVICES TAX**

### **1. CGST (Seventh Amendment) Rules, 2021**

CBIC Notification No.  
32/2021 of Central Tax – dated 29.08.2021

Vide this notification, CBIC has notified that the last date of filing of **FORM GSTR-3B** and **FORM GSTR-1/ IFF** by companies using electronic verification code, instead of Digital Signature certificate has been extended from **31.08.2021** to **31.10.2021**.

[Notification No.32](#)

### **2. Extension of FORM GSTR-3B late fee amnesty scheme**

CBIC Notification No.  
33/2021 of Central Tax – dated 29.08.2021

CBIC, vide **Notification No. 19/2021**- Central Tax, dated **01.06.2021**, introduced an amnesty scheme to provide relief to the taxpayers by reducing / waiving late fee for non-furnishing **FORM GSTR-3B** for the tax periods from **July, 2017 to April, 2021**, if the returns for these tax periods were furnished between 01.06.2021 to 31.08.2021.

The last date to avail benefit of the amnesty scheme, has been extended from **31.08.2021** to **30.11.2021**.

[Notification No.33](#)

### **3. Extension of timelines for filing of application for revocation of cancellation of registration**

CBIC Notification No.  
34/2021 of Central Tax – dated 29.08.2021

CBIC vide this notification has extended the timelines for filing of application for revocation of cancellation of registration to **30.09.2021**, where the due date of filing of such application falls between **01.03.2020** to **31.08.2021**.

The extension would be applicable only in those cases where registration has been cancelled

- under **clause (b)** [ person paying tax under composition levy scheme has not furnished returns for three consecutive tax periods] or
- **clause (c)** [ any registered person, other than a person specified in clause (b), has not furnished returns for a continuous period of six months] of sub-section (2) of section 29 of the CGST Act.

[Notification No.34](#)

**Disclaimer:**

This is not a complete listing of all circulars/notifications issued during the month.  
Instead, it is only a listing of some of the circulars/notifications that we considered important.



**Lovi Mehrotra & Associates**

**Chartered Accountants**

**21-22 IInd Floor Krishna Nagar Safdarjung Enclave  
New Delhi 110029**

**Website : [www.lma.co.in](http://www.lma.co.in) • Email : [a.kaushik@lma.co.in](mailto:a.kaushik@lma.co.in)**