

**FEBRUARY**  
**2021**

# NEWSLETTER

## TAX

- Income Tax
- Goods and Services Tax



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<b><u>INCOME TAX</u></b>	
<b>1. Extension of due date for filing declaration under Vivad Se Vishwas Scheme</b>	
<div>CBDT</div> <div>Notification No. 4/2021 dated 31.01.2021</div>	
<p><b>CBDT</b> has further extended the due date for filing <b>declaration</b> under the '<b>Vivad Se Vishwas</b>' <b>scheme from 31<sup>st</sup> January 2021 to 28<sup>th</sup> February 2021.</b></p> <p><a href="#">Notification No.4</a></p>	
<b>2. Faceless Assessment (1st Amendment) Scheme, 2021</b>	
<div>CBDT</div> <div>Notification No. 6 &amp; 7/2021 dated 17.02.2021</div>	
<p>CBDT has notified the <b>Faceless Assessment (1st Amendment) Scheme, 2021</b> which seeks to amend Faceless Assessment Scheme, 2019 by way of certain amendments in <b>Para 2</b> of the Scheme (i.e., definitions), <b>Para 11</b> of the Scheme (i.e., No personal appearance in the Centers or Units) and substitution of <b>Para 5</b> of the Scheme (i.e., procedure for assessment)</p> <p><a href="#">Notification No.6</a> &amp; <a href="#">Notification No.7</a></p>	
<b>3. Extension of due date for filing declaration under Vivad Se Vishwas Scheme</b>	
<div>CBDT</div> <div>Notification No. 9/2021 dated 26.02.2021</div>	
<p>CBDT has further extended the Due Dates under the Direct Tax Vivad se Vishwas Act, 2020 as under:</p> <ol style="list-style-type: none"> <li>The last date for filing of Electronic Declaration Form 1 for opting under the Vivad se Vishwas Scheme has been further extended from <b>28<sup>th</sup> February 2021 to 31<sup>st</sup> March 2021.</b></li> <li>The last date for making payment of 100% of the disputed tax in non-search cases and 125% in search cases (i.e. without additional payment) has been further extended from <b>31<sup>st</sup> March 2021 to 30<sup>th</sup> April 2021.</b> With effect of May 1, 2021 payment of 110% of the disputed tax in non -search cases and 135% in search cases will have to be made.</li> </ol> <p><a href="#">Notification No.9</a></p>	

## **GOODS AND SERVICES TAX**

### **1. Standard Operating Procedure (SOP) for implementation of the provision of suspension of registrations under sub-rule (2A) of rule 21A**

CBIC Circular No.  
145/2021 of Central Tax – dated 11.02.2021

CBIC has issued SOP for implementation of provisions relating to suspension of registrations under newly inserted **sub-rule (2A)** of Rule 21A of CGST Rules, 2017.

The rule provides for power to suspend GST registration in cases where significant differences or anomalies indicating contravention of the provisions of the Act or the rules are observed on account of comparison between returns furnished by taxpayer in **section 39 (GSTR3B)** and **outwards supplies in GSTR1** or **inwards supplies** derived from **GSTR-1** furnished by vendors.

In the above cases, the rule provides for intimation in Form REG-31 electronically on the common portal. The major provisions included in the SOP are as below :

- a) Till the time functionality for FORM REG-31 is made available on portal, such notice/intimation will be made available to taxpayer on their dashboard on common portal in FORM GST REG-17. The taxpayers will be able to view the notice in “View/Notice and Order” tab upon login.
- b) The taxpayers whose registrations are suspended would be required to reply to jurisdictional officer against the notice for cancellation of registration sent to them in FORM GST REG-18 online through Common Portal within 30 days from the receipt of notice/ intimation.
- c) In case the intimation for suspension and notice for cancellation of registration is issued on ground of non-filing of returns or other scenarios, the said person may file all the due returns or meet the requirements and submit the response.
- d) The system generated notice can be viewed by jurisdictional proper officers on their Dashboard for suitable action. Proper officer, post examination of the response received from the said person, may pass an order either for dropping the proceedings for suspension/ cancellation of registration in FORM GST REG-20 or for cancellation of registration in FORM GST REG-19. Based on the action taken by the proper officer, the GSTIN status would be changed to “Active” or “Cancelled Suo-moto” as the case maybe.
- e) Till the time independent functionality for FORM GST REG-31 is fully ready, it is advised that if the proper officer considers it appropriate to drop a proceeding any time after issuance of FORM GST REG-31, he may advise the said person to furnish his reply on the common portal in FORM GST REG-18.
- f) In case the proper officer is prima-facie satisfied with the reply of the said person, he may revoke suspension by passing an order in FORM GST REG-20. Post such revocation, if need be, the proper officer can continue with the detailed verification of the documents and recovery of short payment of tax, if any.
- g) Further, in such cases, after detailed verification or otherwise, if the proper officer finds that the registration of the said person is liable for cancellation, he can again initiate the proceeding of cancellation of registration by issuing notice in FORM GST REG-17.

[Circular No.145](#)

### **2. Persons to whom provisions of sub-section (6B) or sub-section (6C) of section 25 of CGST Act will not apply**

CBIC Notification No.  
3/2021 of Central Tax – dated 23.02.2021

CBIC has notified that Aadhar authentication for GST registration under **sub- section (6B) or sub-section (6C) of section 25** of the CGST Act **shall not** apply to a person who is,

- 1) not a citizen of India; or
- 2) Department or establishment of the Central Government or State Government; or
- 3) local authority; or
- 4) statutory body; or
- 5) Public Sector Undertaking; or
- 6) Person applying for registration under the provisions of sub-section (9) of section 25 of the said Act.

[Notification No.3](#)

### **3. Clarification in respect of applicability of Dynamic Quick Response (QR) Code on B2C invoices**

CBIC Circular No.  
146/2021 of Central Tax – dated 23.02.2021

CBIC has issued the following clarifications in respect of applicability of **Dynamic Quick Response (QR) Code on B2C invoices :-**

- 1) Notification No 14/2020 - Central Tax dated 21st March, 2020 which requires Dynamic QR Code on B2C invoice issued by taxpayers having aggregate turnover of more than 500 crore rupees, w.e.f. 01.12.2020 is not applicable to an invoice in following cases:-
  - a) Where the supplier of taxable service is:
    - i. an insurer or a banking company or a financial institution, including a non-banking financial company
    - ii. a goods transport agency supplying services in relation to transportation of goods by road in a goods carriage
    - iii. supplying passenger transportation service
    - iv. supplying services by way of admission to exhibition of cinematograph films in multiplex screens
  - b) OIDAR (Online Information Database Access and Retrieval services) supplies made by any registered person, who has obtained registration under section 14 of the IGST Act 2017, to an unregistered person.

Supplies made for exports, though such supplies are made by a registered person to an unregistered person, however, as e-invoices are required to be issued in respect of supplies for exports, in terms of Notification no. 13/2020-Central Tax, dated 21st March, 2020 treating them as Business to Business (B2B) supplies in terms of , Notification no. 14/2020- Central Tax, dated 21st March, 2020 will not apply

- 2) Dynamic QR Code, shall contain the following information: –
  - a) Supplier GSTIN number
  - b) Supplier UPI ID
  - c) Payee's Bank A/C number and IFSC
  - d) Invoice number & invoice date,
  - e) Total Invoice Value and
  - f) GST amount along with breakup i.e. CGST, SGST, IGST, CESS, etc.

Further, Dynamic QR Code should be such that it can be scanned to make a digital payment.

- 3) In cases where the supplier has digitally displayed the Dynamic QR Code and the customer pays for the invoice: –
  - a) Using any mode like UPI, credit/ debit card or online banking or cash or combination of various modes of payment, with or without using Dynamic QR Code, and the supplier provides a cross

reference of the payment on the invoice ; or

- b) In cash, without using Dynamic QR Code and the supplier provides a cross reference of the amount paid in cash, along with date of such payment on the invoice

then the said invoice shall be deemed to have complied with the requirement of having Dynamic QR Code.

However, if payment is made after generation / issuance of invoice, the supplier shall provide Dynamic QR Code on the invoice.

Above provisions are equally applicable to the suppliers making supplies on the E-commerce platforms.

[Circular No.146](#)

**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.



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