



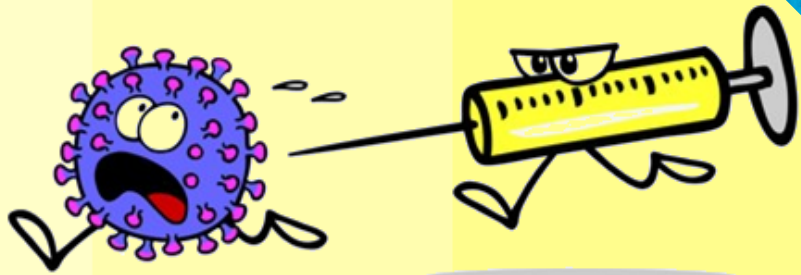
# रौखड़

continuous progress

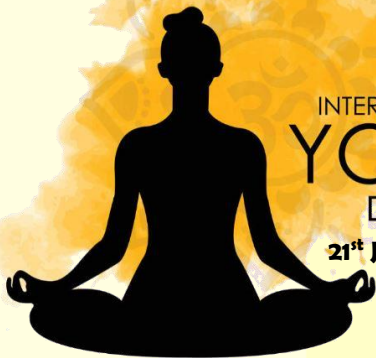


NEW I.T SITE, A NEW EXPERIENCE

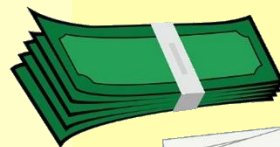
Let's pledge to make Yoga an Integral Part of our Daily Life



VACCINE DRIVE IN FULL SWING



INTERNATIONAL  
YOGA  
DAY  
21<sup>st</sup> JUNE, 2021



MANGALURU BRANCH OF  
SOUTHERN INDIA REGIONAL COUNCIL OF  
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

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# FROM THE CHAIRMAN'S DESK

Dear readers,

In the past month, we had gone through a disturbing period with the lockdown extension. It is made very clear to us that this serious issue has to be controlled by ourselves by taking extra precautions and care. I believe that we have all followed the protocol by the Government and at the same time, worked from home. I hope you have converted lockdown due to Covid-19 as a blessing in disguise since we were able to unite with our families. There were joyous days to be celebrated as well. The first day of the month was dedicated to all the hardworking professionals and students in the name of May day. We should all be proud of how we contribute towards the betterment of the nation and let's continue to do so. After a month of fasting, Eid- al- Fitr was celebrated by many among us. Followed by Buddha Purnima, the full moon day where we enlighten ourselves with love, peace and truth was celebrated by many as well. My hearty wishes to all who celebrated, enjoyed and had a good time with family amidst this lockdown period. A google form for vaccination against Covid was created where more than 300 people have registered and we successfully completed our mission.



During this tough time we realised that we should serve our community in the best way possible. Resultantly we requested the members to contribute generously. For providing the same, several members had come forward and contributed by means of money. We now have successfully accomplished our objective and I would like to extend my heartfelt thanks to all, who whole heartedly contributed towards the betterment of Mangalore community during this time of agony. I pray that God gives good health and financial support to each and every one of us and also to give strength in helping others through philanthropy.

With the hope that the lockdown will end by June 14th, we can all start heading back to our respective work areas and plan properly with regard to completing the work within the due dates, especially tax audits. Let us try to not rely on extensions and work diligently towards this goal. Even at work place and other outdoor places, continue to maintain social distance and adhere to the Covid guidelines provided by the Government. Our safety ultimately keeps our family safe.

A note to the students- the exams will commence on July 5th. Prepare well so that you can face them confidently. Plan and stick to your schedule so that you don't fall behind in any topic and reach one step ahead of your goal. Good luck to all my dear students.

Stay healthy and take care.

**Regards**

**CA K S Kamath**

**Chairman**

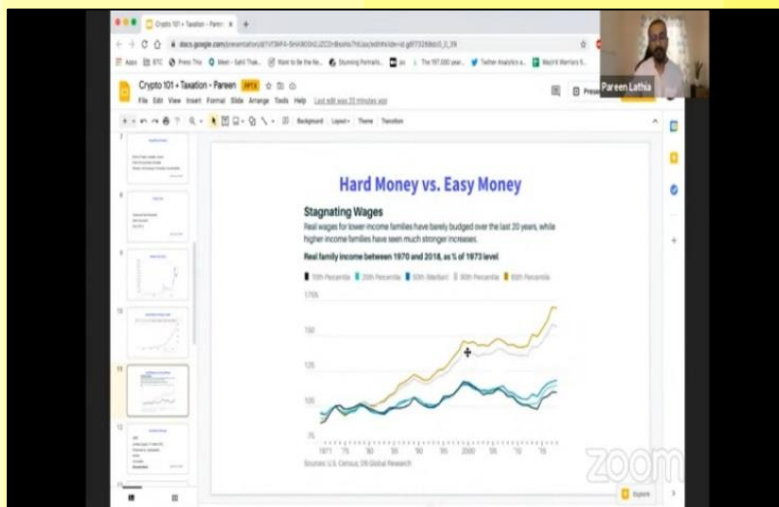
**Mangaluru Branch of SIRC of ICAI**

## BRANCH ACTIVITIES FOR THE MONTH OF MAY 2021

Sl. No	Date	Webinars & Workshops
1	04.05.2021	<p>➤ <b>Recent Changes in Compliances under Companies Act, 2013</b></p> <p>Resource Person : CS. Adv. Kunal Kamath Sarpal</p>
2	08.05.2021	<p>➤ <b>Analysis of Landmark Judgements in GST</b></p> <p>Resource Person : Adv. G Shivadass Senior Advocate – Karnataka High Court Bengaluru</p>
3	12.05.2021	<p>➤ <b>FEMA Regulations for foreign Direct Investment</b></p> <p>Resource Person : CS. T. P. Shridar, Chennai</p> <p>➤ <b>Crypto talks – The Introduction &amp; Future of Crypto Currencies</b></p> <p>Resource Person: Pareen Lathia</p>
4	26.05.2021	<p>➤ <b>Important Amendments for Audit of FY 2020 – 21</b></p> <p>Resource Person: CA. K. Gururaj Acharya, Bengaluru</p>
5	15.05.2021, 22.05.2021, and 29.05.2021	<p>➤ <b>Workshop on Exports, Imports And Foreign Trade Policy</b></p> <p>Inauguration Chief Guest: Mr. C J Mathews, Member, CESTAT</p> <p>1) <b>Introduction to Customs and FTP</b> Resource Person : CA Hans Raj Chugh, Central Council Member, ICAI</p> <p>2) <b>Imports – Basic – Customs and FTP</b> Resource Person: Mr. Mihir Shah</p> <p>3) <b>Assessments under Customs for Imports</b> Resource Person : Mr. Sudhakar Kasture</p> <p>4) <b>Customs Valuation for Import</b> Resource Person: CA Jatin Christopher</p> <p>5) <b>Exports – Basic - Customs and FTP</b> Resource Person: Mr. Mihir Shah</p> <p>6) <b>Export – Concessional Rate of Customs Duty in Buyer's Country</b> Resource Person :Mr. Sudhakar Kasture</p>

## BRANCH ACTIVITY GALLERY FOR THE MONTH OF MAY 2021

### Webinar on Crypto talks- The Introduction & Future of Crypto Currencies by Mr. Pareen Lathia



Amendment	Description
133 - Accounting Standards prescribed - (w/ Rule 7 of Co's (Accounts) Rules)	PS are in accordance with accounting principles generally accepted in India, including AS specified U/s. 133
134(5) - Director's Responsibility statement in Board Report	Company's BoD responsible for matters stated in S. 134(5) w/rt preparation of these PS that give a true & fair view
143(3) - Auditor's Report	As required by S. 143(3), report points (a) to (i) - along with points UPR 11 of Co (Audit & Auditors) Rules.
143(3)(i) - HC with Reference to PS	U/s. 143(3)(i), we are responsible for expressing our opinion whether Co. has adequate HC w/rt PS in place & operating effectiveness of such controls.
143(8) - Branch Office Accounts	Reports on accounts of branch offices of Co. audited u/s 143(8) by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
143(10) - Standards on Auditing (SAs)	Conducted audit in accordance with SAs specified U/s. 143(10)
143(11) - CARO	As per S. 143(11) give statement on matters specified in para. 3 & 4 of CARO, to the extent applicable
164(7) - Disqualification of Directors	Based on written representations received from directors as on 31st March ..... taken on record by BoD, none of directors is disqualified from being appointed as a director
197(16) - Overall Managerial Remuneration	Only on Public Cos



### Webinar on 'Important Amendments for Audit of FY 2020 – 21 by CA. K. Gururaj Acharya, Bengaluru



70+ participants were a part of knowledge enriching session related to COVID Lockdown Black fungus.

We had Dr. B. Srinivas Kakkilaya as the Resource person.

# OPC and Small Companies relaxatio



- MGT 7A Abridged version
- MGT 7 detailed version for other companies
- What is not required anymore?
  1. Annexing extract of Annual Return to the Board report
  2. Updates pertaining to Cyber Security, Elec Voting System, Cut-off date

**Webinar on Recent Changes in Compliances under Companies Act, 2013**

**By CS. Adv. Kunal Kamath Sarpal**

## Conditions for taking input tax credit



Taxpayer is in possession of a valid tax invoice or other document.

Taxpayer has actually received the goods and/or services.

Taxpayer has furnished the return.

Tax charged in respect of such supply has been actually paid to the credit of the appropriate Government, either in cash or through utilisation of input tax credit admissible in respect of the said supply.

**Webinar on Analysis of Landmark Judgements in GST by Adv. G Shivadass**

## MANGALURU CA'S COVID RELIEF FUND



**MANGALURU CA FRATERNITY LED BY THE BRANCH CHAIRMAN CA. K. SUBRAMANYA KAMATH & MANAGING COMMITTEE MEMBERS HANDED OVER MEDICAL EQUIPMENTS & ITEMS AMOUNTING TO RS. 7.41 LAKHS TO WENLOCK DISTRICT HOSPITAL, DAKSHINA KANNADA IN THE PRESENCE OF HON'BLE DY. COMMISSIONER DR. RAJENDRA K. V., HON'BLE DISTRICT IN-CHARGE MINISTER SHRI KOTA SRINIVAS POOJARY & HON'BLE MEMBER OF PARLIAMENT SHRI NALIN KUMAR KATEEL. DISTRICT MEDICAL OFFICER DR. SADASHIV SHANBHAG TOO WAS PRESENT ON THE OCCASION.**



The Mangaluru Branch of SIRC of ICAI & Mangaluru Branch of SICASA had organised a Mega Vaccination Drive in association with KMC Manipal Hospital at Mareena Sports Complex, Attavar, 1st June from 1.30 - 3.00 pm.

This facilitated more than 300 people including CA Members, students & family members to get vaccinated with their first dose.

## ಲೆಕ್ಕ ಪರಿಶೋಧಕರಿಂದ ವೆನ್ನಾಕ್ ಗೆ ಕೊಡುಗೆ



ಲೆಕ್ಕ ಪರಿಶೋಧಕರ ಸಂಘದ ಮಂಗಳೂರು ಶಾಖೆ ವತಿಯಿಂದ ವೆನ್ನಾಕ್ ಆಸ್ಪತ್ರೆಗೆ 7.41 ಲಕ್ಷ ರೂ. ಮೌಲ್ಯದ ವೈದ್ಯಕೀಯ ಉಪಕರಣ ವಿತರಿಸಲಾಯಿತು. ಸಂಸದ ನಳಿನ್ ಕುಮಾರ್ ಕಟೀಲ್, ಜಿಲ್ಲಾ ಉಸ್ತುವಾರಿ ಸಚಿವ ಕೋಟ ಶ್ರೀನಿವಾಸ ಪೂಜಾರಿ ಮತ್ತಿತರರಿದ್ದರು.

ಮಂಗಳೂರು: ಭಾರತೀಯ ಲೆಕ್ಕ ಪರಿಶೋಧಕರ ಸಂಘದ ಮಂಗಳೂರು ಶಾಖೆ ವತಿಯಿಂದ ನಗರದ ವೆನ್ನಾಕ್ ಆಸ್ಪತ್ರೆಗೆ ಸುಮಾರು 7.41 ಲಕ್ಷ ರೂ. ಮೌಲ್ಯದ ವೈದ್ಯಕೀಯ ಉಪಕರಣ ಹಾಗೂ ಇತರ ಅವಶ್ಯ ಪರಿಕರಗಳನ್ನು ಸಂಸದ ನಳಿನ್ ಕುಮಾರ್ ಕಟೀಲ್, ಜಿಲ್ಲಾ ಉಸ್ತುವಾರಿ ಸಚಿವ ಕೋಟ ಶ್ರೀನಿವಾಸ ಪೂಜಾರಿ, ಜಿಲ್ಲಾಧಿಕಾರಿ ಡಾ.ರಾಜೇಂದ್ರ ಕೆ.ವಿ ಉಪಸ್ಥಿತಿಯಲ್ಲಿ ಹಸ್ತಾಂತರಿಸಲಾಯಿತು.

ಜಿಲ್ಲಾ ಅರೋಗ್ಯ ಅಧಿಕಾರಿ ಡಾ.ಸದಾಶಿವ್ ಶಾನಭಾಗ್, ಆರ್.ಎಂ.ಒ ಡಾ.ಜೂಲಿಯನ್ ಸಲ್ವಾನ, ಐಸಿಎಐ ಮಂಗಳೂರು ಶಾಖೆ ಅಧ್ಯಕ್ಷ ಸಿಎ ಕೆ.ಸುಬ್ರಮಣ್ಯ ಕಾಮತ್, ಕಾರ್ಯದರ್ಶಿ ಸಿಎ ಪ್ರಸನ್ನ ಶೆಣೈ ಎಂ., ಖಜಾಂಚಿ ಸಿಎ ಗೌತಮ್ ಶೆಣೈ, ಸಿಕಾಸ ಅಧ್ಯಕ್ಷ ಸಿಎ ಗೌತಮ್ ಪೈ, ಐಸಿಎಐ ಮಂಗಳೂರು ಶಾಖೆ ನಿಕಟಪೂರ್ವ ಅಧ್ಯಕ್ಷ ಸಿಎ ಎಸ್.ಎಸ್.ನಾಯಕ್, ಜಿಲ್ಲಾ ಭಾರತೀಯ ರೆಡ್ ಕ್ರಾಸ್ ಸೊಸೈಟಿ ಅಧ್ಯಕ್ಷ ಸಿಎ ಶಾಂತಾರಾಮ ಶೆಟ್ಟಿ ಉಪಸ್ಥಿತರಿದ್ದರು.



ಮಂಗಳೂರಿನ ಭಾರತೀಯ ಲೆಕ್ಕ ಪರಿಶೋಧಕರ ಸಂಘ ಮತ್ತು ವಿದ್ಯಾರ್ಥಿ ಸಂಘದ ವತಿಯಿಂದ ಅತ್ತಾವರ ಕೆಎಂಸಿ ಆಸ್ಪತ್ರೆ ಸಹಯೋಗದಲ್ಲಿ ಕೋವಿಡ್ ವ್ಯಾಕ್ಸಿನೇಷನ್ ಅಭಿಯಾನಕ್ಕೆ ಚಾಲನೆ ನೀಡಲಾಯಿತು. ಮಾಹೆ ಪ್ರೊ ವೈಸ್ ಚಾನ್ಸಲರ್ ಡಾ.ದಿಲೀಪ್ ನಾಯಕ್, ಡಾ.ಶಾಜಿರ್ ಸಿದ್ದಿಕಿ, ಐಸಿಎಐ ಮಂಗಳೂರು ಶಾಖೆ ಅಧ್ಯಕ್ಷ ಸಿಎ ಕೆ.ಎಸ್.ಕಾಮತ್, ನಿಕಟಪೂರ್ವ ಅಧ್ಯಕ್ಷ ಸಿಎ ಎಸ್.ಎಸ್. ನಾಯಕ್, ಐಸಿಎಐ ವಿದ್ಯಾರ್ಥಿ ಸಂಘದ ಅಧ್ಯಕ್ಷ ಸಿಎ ಗೌತಮ್ ಪೈ, ಉಪಾಧ್ಯಕ್ಷ ಸಚಿನ್ ಎಸ್.ನಾಯಕ್, ಶ್ರೀಯಸ್ ಉಪಸ್ಥಿತರಿದ್ದರು.

## **POSSIBLE E-WAY BILL ISSUES AS WELL AS SOLUTIONS DURING THIS LOCKDOWN.**



1. Rule 138 of CGST Rules and respective SGST Rules of the different States requires every registered person **who causes movement of goods** of consignment value exceeding Rs. 50,000 in relation to a supply; for reasons other than supply; or due to inward supply from an unregistered person to generate e-way bill for the movement of goods.
2. E-way bill is required to be generated for the movement of goods where the consignment value of such goods exceed Rs. 50,000.
3. **Consignment value:** It is defined as the transaction value of the goods being transported which is declared in an invoice, a bill of supply or a delivery challan, as the case may be, issued in respect of the said consignment including the CGST, SGST or UTGST, IGST and GST compensation cess charged in the document.
4. The value of exempt supply of goods where the invoice is issued in respect of both exempt and taxable supply of goods should be excluded. However, in the following cases, e-way bill is required to be generated even if the consignment value of the goods does not exceed Rs. 50,000:
  - a. Movement of goods for job work by a principal located in one State or Union Territory to a job worker located in another State or Union Territory;
  - b. Movement of handicraft goods from one State or Union territory to another State or Union territory by a person who has been exempted from the requirement of obtaining registration.
5. **We would discuss who is responsible for generating e-way bill?** The person who causes the movement of goods is required to generate e-way bill.
6. **When is e-way bill required to be generated?** E-way bill is required to be generated for the movement of goods irrespective of whether the movement is being made for supply of goods or not. For example, in the cases of movement of goods for the purposes of job work, weighment, warehousing, there is no supply of goods being made. However, e-way bill is required to be generated as there is a movement of goods.

7. It is important to note that where the goods are being transported up to a distance of **twenty kilometers** from the place of the business of the consignor to a weighbridge for weighing or from the weighbridge back to the place of the business of the said consignor subject to the condition that the movement of goods is accompanied by a delivery challan issued in accordance with rule 55.
8. **Invoice for the sale of goods:** Section 31(1) of CGST Act states that a registered person supplying taxable goods is required to issue a tax invoice, before or at the time of, —
  - a. **removal of goods** for supply to the recipient, where the supply involves movement of goods; or
  - b. delivery of goods or making available thereof to the recipient, in any other case,
 showing the description, quantity and value of goods, the tax charged thereon and such other particulars as prescribed in Rule 46 of CGST Rules, 2017.
9. **Delivery challan for the movement of goods:** Rule 55 of CGST Rules, 2017 [Transportation of goods without issue of invoice] states that in the cases of transportation of goods for reasons other than by way of supply, the consignor would be required to issue a delivery challan in lieu of invoice at the time of removal of goods for transportation.
10. Therefore, where the transaction is in the nature of supply and where the consignment value exceeds INR 50,000 in such a case E-Way bill has been generated on the basis of Invoice. In case, where the transaction is for reasons other than supply and where the consignment value exceeds INR 50,000 in such a case E-Way bill has been generated on the basis of Delivery Challan.
11. During the first lockdown (Mar-Apr'20), CBIC had issued a series of Notifications extending the time limit for compliances. One of the extensions was also in regard to EWB. Notification stated that ***"Where validity of an e-way bill expires during the period 20th day of March, 2020 to 15th day of April, 2020, the validity period of such e-way bill shall be deemed to have been extended till the 30th day of April, 2020"***. However, in the period of second lockdown, Notification in this regard has not been issued yet by CBIC. Therefore, we have come up with possible issues as well as solutions which are explained below:

#### **Case 1: In case EWB is about to get expired when the vehicle is still in the movement**

12. **Extension of e-way bill by the transporter:** Proviso to Rule 138(10) of CGST Rules states that under circumstances of an exceptional nature, including trans-shipment, where the goods cannot be transported within the validity period of the e-way bill, the transporter may extend the validity period after updating the details in Part B of FORM GST EWB-01, if required. **The validity of the e-way bill may be extended within 8 hours from the time of its expiry.**

13. **Procedure for extension of e-way bill:** The transporter would be required to follow the below-given procedure for extending the validity of e-way bill.

- a. Select "Extend validity" option in the E-way bill field in the dashboard.
- b. The Form for Extension of Validity of E-way bill appears. Enter the E-way bill number whose validity is to be extended and Select "Go".
- c. The relevant e-way bill is displayed on the portal with a question "Do you wish to get Extension for this EWB?"- Select "Yes".
- d. Once the "Yes" option is selected, the transporter has to fill the following details:
  1. Reason for Extension;
  2. Remarks- Provide the exact reason for extension in simple words;
  3. Transportation details- Current place, pin code and State where the goods are presently located;
  4. Approximate Distance [in KM]- Approximate remaining distance which is auto calculated and could be changed as discussed previously;
  5. Consignment is- "In Movement" or "In Transit";
  6. Mode- Road, Rail, Air or Ship;
  7. Vehicle Type- Regular or Over Dimensional Cargo;
  8. Vehicle number; and
  9. Transporter Doc. No & Date.
- e. Click "Submit" and then the validity of the e-way bill would be extended after validation of the details given. The validity would be extended based on the remaining distance to be moved as discussed above.

**Case 2: Where the EWB has been expired and goods are nowhere near the destination.**

14. It was held in the case of **Ram Charitra Ram Harihar Prasad Vs. State of Bihar- 2020(34) G.S.T.L. 151 (Pat.)** that there is no bar in Rules that on expiry of old E-way Bill, a fresh E-way Bill cannot be issued. However, practically re-generating of EWB on the same Invoice is not possible. Practically portal does not accept the same.
15. Therefore, in such scenario, it is suggested to generate an EWB by mentioning the invoice number by mentioning an additional 'DOT' in the invoice. However, it is also suggested to intimate the same by RPAD letter to the department the valid reasons for re-generating EWB on the same Invoice number.

16. New EWB has been generated in the following manner:

PART-A		
1	Supply type	Outward
2	Sub type	Supply
3	Document type	<b>Document type:</b> Invoice <b>Document no:</b> Invoice no. <b>Document date:</b> Invoice date
4	Transaction type	Regular
5	Bill from	Name, GSTIN and State of Supplier
6	Dispatch from	Address, place and pin code of the current location of the vehicle from where goods are dispatched.
7	Bill to	Name, State and GSTN of the customer
8	Ship to	Address, place and pin code of the Hub where the goods are to be delivered.
9	Item details	Product name, Description, HSN, Qty, unit, Value, Tax rate
PART-B		
10	Transporter ID	Transporter ID/ TRANSIN
11	Approximate Distance	Mention KM in distance from the place of the current location of the vehicle to the place where the goods are delivered.
12	Mode	Road
13	Vehicle Type	Regular
14	Vehicle no	Vehicle number
15	Transporter Doc no & Date	LR number and LR date.

17. In case, if the goods and the conveyance are verified during transit, the department cannot seize or detain such goods only on the grounds that there is "Error in one or two digits of the document number mentioned in the e-way bill". The department could collect a penalty of Rs. 1,000 [Rs. 500- CGST+ Rs. 500- SGST or Rs. 1,000- IGST], in terms of Circular no. 64/38/2018-GST dt. 14<sup>th</sup> September 2018.

**Case 3: Where the EWB has been expired and goods are near the destination.**

18. It is suggested to follow the same procedure as given in case 2 above.

**Case 4: Where the goods have reached the destination in time, but EWB would be expired at the time of unloading such goods.**

19. **Extension of e-way bill by the transporter:** Proviso to Rule 138(10) of CGST Rules states that under circumstances of an exceptional nature, including trans-shipment, where the goods cannot be transported within the validity period of the e-way bill, the transporter may extend the validity period after updating the details in Part B of FORM GST EWB-01, if required. **The validity of the e-way bill may be extended within 8 hours from the time of its expiry.**

20. The FAQ issued on the e-way bill portal provides as under.

*"My goods are in warehouse, and the e-waybill validity is expiring. Can I extend the e-waybill?"*

*Yes. You can use the Extend Validity option before 8 hours or after 8 hours from the validity date. Select the E-waybill extension option. Specify the Consignment is in Transit, enter the details of the warehouse such as Pin code and address. The system will extend the validity for the remaining distance."*

**Note:** The time limit for extending the validity of e-way bill has been amended which is within 8 hours from the time of expiry of the e-way bill.

21. The FAQ issued on the e-way bill portal also provides as under.

*"Who can extend the validity of the e-way bill?"*

*The transporter, who is carrying the consignment as per the e-way bill system at the time of expiry of validity period, can extend the validity period."*

**Case 5: How is validity of EWB computed?**

22. In terms of **Rule 138(10)** of CGST Act 2017, An e-way bill or a consolidated e-way bill generated under this rule shall be valid for the period as mentioned in column (3) of the Table below from the **relevant date**, for the distance, within the country, the goods have to be transported, as mentioned in column (2) of the said Table: -

Sl. No.	Distance	Validity period
(1)	(2)	(3)
1.	Upto <b>200 km.</b>	One day in cases other than Over Dimensional Cargo or multimodal shipment in which at least one leg involves transport by ship
2.	For every <b>200 km.</b> or part thereof thereafter	One additional day in cases other than Over Dimensional Cargo or multimodal shipment in which at least one leg involves transport by ship
3.	Upto <b>20 km</b>	One day in case of Over Dimensional Cargo or multimodal shipment in which at least one leg involves transport by ship
4.	For every <b>20 km.</b> or part thereof thereafter	One additional day in case of Over Dimensional Cargo or multimodal shipment in which at least one leg involves transport by ship.

23. As per Rule 138, the "**relevant date**" shall mean the date on which the e-way bill has been generated and the period of validity shall be counted from the time at which the e-way bill has been generated and each day shall be counted as the period expiring at midnight of the day immediately following the date of generation of e-way bill.

**24. For Example:**

- a. Suppose an e-way bill is generated at 00:04 hrs. on 14th March. Then first day would end on 12:00 midnight of 15 -16 March. Second day will end on 12:00 midnight of 16 -17 March and so on.
- b. Suppose an e-way bill is generated at 23:58 hrs. on 14th March. Then first day would end on 12:00 midnight of 15 -16 March. Second day will end on 12:00 midnight of 16 -17 March and so on. The same was clarified in FAQ's released by CBIC.

**Case 6: How many times can Part-B or Vehicle number be updated for an EWB?**

25. The user can update **Part-B** (Vehicle details) for each change in the vehicle or mode of transport used in the course of movement of consignment up to the destination point. However, the updating should be done within overall validity period of EWB. There is no upper cap on the number of updation of vehicle in **Part B**.

For any further clarifications reach at Mail – [rakesh@hiregange.com](mailto:rakesh@hiregange.com)



**CA Rakesh Kamath, Udupi**

## Relaxations in GST compliances for Taxpayers amid Covid-19 crisis



The Central Board of Indirect Taxes ('CBIC') had issued various notifications on 01.05.2021 for relaxation of compliance timelines in GST for period March 2021 and April 2021 in view of hardships faced by tax payers due to second wave of COVID-19 pandemic. On recommendation of GST Council's 43<sup>rd</sup> meeting held on 28.05.2021, further notifications are issued on 01.06.2021 to extend the relaxations given on 01.05.2021 for period May 2021. This article summarizes the various extensions / relaxations given vide notifications issued on 01.05.2021 and 01.06.2021.

### I. Relaxation in due dates:

Government has extended the dates of various compliances by Taxpayers under GST vide Notification nos.12/2021-CT dated 01.05.2021, 17/2021-CT dated 01.06.2021, 24/2021-CT dated 01.06.2021, 25/2021-CT dated 01.06.2021, 26/2021-CT dated 01.06.2021, 27/2021-CT dated 01.06.2021. The details are summarized below:

Return / Form	Month/Quarter	Due date	Extended Due date
<b>Monthly GSTR-1</b>	April 2021	11.05.2021	26.05.2021
	May 2021	11.06.2021	26.06.2021
<b>IFF under QRMP scheme</b>	April 2021	13.05.2021	28.05.2021
	May 2021	13.06.2021	28.06.2021
<b>Form ITC-04 (Declaration for goods dispatched to or received from job worker)</b>	01.01.2021 to 31.03.2021	25.04.2021	30.06.2021
<b>Form GSTR-4 (Annual return for composition dealer)</b>	FY 2020-21	30.04.2021	31.07.2021
<b>GSTR-7 (TDS) and GSTR-8 (TCS)</b>	April 2021	10.05.2021	30.06.2021
	May 2021	10.06.2021	30.06.2021
<b>GSTR-6 (ISD)</b>	April 2021	13.05.2021	30.06.2021
	May 2021	13.06.2021	30.06.2021

## II. Reduction in interest and waiver of late fees in case of GSTR-3B:

Interest Rate for delayed payment of GST has been reduced for different classes of taxpayers vide Notification nos.08/2021-CT dated 01.05.2021, 09/2021-CT dated 01.05.2021, 18/2021-CT dated 01.06.2021, 19/2021-CT dated 01.06.2021 as under:

Aggregate T.O. in Preceding FY	Tax period	Due date of return	Relaxation in interest		No late fees is GSTR-3B filed up to
			Tax paid up to	Interest rate	
More than 5 crores	March 2021	20.04.2021	05.05.2021	9%	05.05.2021
			Thereafter	18%	
	April 2021	20.05.2021	04.06.2021	9%	04.06.2021
			Thereafter	18%	
	May 2021	20.06.2021	05.07.2021	9%	05.07.2021
			Thereafter	18%	
Up to 5 crores (Normal returns – monthly filing)	March 2021	20.04.2021	05.05.2021	Nil	19.06.2021
			06.05.2021 to 19.06.2021	9%	
			Thereafter	18%	
	April 2021	20.05.2021	04.06.2021	Nil	04.07.2021
			05.06.2021 to 04.07.2021	9%	
			Thereafter	18%	
	May 2021	20.06.2021	05.07.2021	Nil	20.07.2021
			06.07.2021 to 20.07.2021	9%	
			Thereafter	18%	
Up to Rs. 5 crores (Quarterly returns)*	Quarter ending March 2021	22.04.2021	07.05.2021	Nil	21.06.2021
			08.05.2021 to 21.06.2021	9%	
			Thereafter	18%	
	PMT-06 for April 2021	25.05.2021	09.06.2021	Nil	Not applicable
			10.06.2021 to 09.07.2021	9%	
			Thereafter	18%	
	PMT -06 for May 2021	25.06.2021	10.07.2021	Nil	Not applicable
			11.07.2021 to 25.07.2021	9%	
			Thereafter	18%	

\*For States - Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, **Karnataka**, Goa, Kerala, Tamil Nadu, Telangana or Andhra Pradesh or the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman, and Nicobar Islands, and Lakshadweep. For other states, due dates shall be 24th of the next month/quarter and shall be extended accordingly.

### III. Reduction in interest in case of CMP-08 for Composition Dealers:

Interest Rate for delayed payment of GST has been reduced for Composition dealer vide Notification nos. 18/2021-CT dated 01.06.2021,

Form	Tax period	Due date of return	Relaxation in interest		late fees
			Tax paid up to	Interest rate	
<b>CMP-08 for composition dealers</b>	Jan to March 2021	18.04.2021	03.05.2021	Nil	Late fees not waived
			04.05.2021 to 17.06.2021 (45 days)	9%	
			Thereafter	18%	

### IV. Amnesty scheme for late fees:

The council has announced **GST Amnesty Scheme 2021** and provide big relief by providing reduced late fees which has come into effect vide Notification nos. 19/2021-CT dated 01.06.2021. Non-filers of GSTR-3B return can now file their pending returns without any substantial penalty and avail the benefits of this GST Amnesty scheme with reduced late fees.

Failure to file GSTR-3B for period	Type of return	Maximum late fees per return	Condition
<b>Months or Quarter of July 2017 to April 2021</b>	Nil Return	Rs 500 (Rs. 250 CGST and Rs. 250 SGST)	GSTR-3B to be filed between 01.06.2021 to 31.08.2021
	Others	Rs 1000 (Rs. 500 CGST and Rs. 500 SGST)	

#### V. Rationalization of late fees:

CBIC rationalizes late fee for delay in filing of returns and provided conditional waiver of late fee for delay in filing following returns vide Notification nos. 19/2021-CT dated 01.06.2021, 20/2021-CT dated 01.06.2021, 21/2021-CT dated 01.06.2021, 22/2021-CT dated 01.06.2021

Return	Type	Aggregate Turnover in preceding FY	Maximum Late fees	Applicable from and onwards
<b>GSTR-3B / GSTR-1</b>	Nil return	Irrespective of turnover	Rs 500 (Rs. 250 CGST and Rs. 250 SGST)	Tax period June 2021 / quarter ending June 2021
	Other than Nil return	Up to Rs. 1.5 crores	Rs. 2000 (Rs. 1000 CGST and Rs. 1000 SGST)	
		Between 1.5 crores to 5 crores	Rs. 5000 (Rs. 2500 CGST and Rs. 2500 SGST)	
		More than 5 crores	Rs. 10000 (Rs. 5000 CGST and Rs. 5000 SGST)	
<b>GSTR-4</b>	Nil return	N.A.	Rs 500 (Rs. 250 CGST and Rs. 250 SGST)	FY 2021-22
	Other than Nil return	N.A.	Rs. 2000 (Rs. 1000 CGST and Rs. 1000 SGST)	
<b>GSTR-7 (TDS)</b>	N.A	N.A.	Rs. 50 per day of delay (Rs. 25 CGST and Rs. 25 SGST) Maximum – Rs. 2000 (Rs. 1000 CGST and Rs. 1000 SGST)	June 2021

## **VI. Relaxation in restriction on availment of Input Tax Credit under rule 36(4) of CGST Rules 2017 vide Notification No. 27/2021-CT dated 1st June 2021**

- Rule 36(4) of CGST Rules 2017 restricts claim of input tax credit in respect of invoices or debit notes not appearing in form GSTR-2A to the extent of 5% of the input tax credit reflected in form GSTR-2A (w.e.f 01.01.2021). In other words, claim of ITC for a tax period cannot exceed 105% of the ITC appearing in form GSTR-2A for said tax period. Said condition is to be complied on monthly basis at the time of filing GSTR-3B.
- Condition of Rule 36(4) is relaxed for period April 2021, May 2021 and June 2021.
- Return for the period June 2021 or Quarter ending June 2021 to be furnished with cumulative adjustment of input tax credit for said months.
- In simple words, total claim of ITC for period April to June 2021 cannot exceed 105% of total ITC reflected in form GSTR-2A for the said period. Taxpayers can take full ITC on the basis of invoices / debit notes for the period April to June 2021. Condition of Rule 36(4) has to be seen cumulatively for said period at the time of filing form GSTR-3B for the month / quarter ending June 2021.

## **VII. Relaxation in other compliances under GST :**

CBIC has announced relaxation of time limit for making various compliances under GST law vide Notification no. 14/2021-CT dated 01.05.2021 as amended by 24/2021-CT dated 01.06.2021 which is summarized as under:

<b>Nature of compliance / action undertaken by any authority or any person</b>	<b>Original time limit / expiry period falling within:</b>	<b>Time limit/ expiry period extended to:</b>	<b>Extension will not apply to following provisions and Rules made there under:</b>
Completion of any proceeding or passing of any order or issuance of any notice, intimation, notification, sanction or approval by any authority, commission or tribunal	15.04.2021 to 29.06.2021	30.06.2021	<ul style="list-style-type: none"> <li>• Time of supply and value of supply [chapter IV of the Act]</li> <li>• lapsing of composition scheme if T/O crosses the limit specified for composition scheme [sec 10(3)];</li> <li>• Registration [sec 25]</li> <li>• Casual / non-resident taxable person [sec 27]</li> <li>• Tax invoice [sec 31]</li> <li>• Form GSTR-1 [sec 37]</li> </ul>
Filing of any appeal, reply or application or furnishing of any report, document,	15.04.2021 to 29.06.2021	30.06.2021	

return, statement or such other record				<ul style="list-style-type: none"> <li>• Return in form GSTR-3B [sec 39]</li> <li>• Levy of late fee [sec 47]</li> <li>• Levy of Interest [sec 50]</li> <li>• Power to arrest [sec 69]</li> <li>• Liability of Partners of firm to pay tax [sec 90]</li> <li>• Penalty for certain offences [sec 122]</li> <li>• Detention, seizure and release of goods [sec 129]</li> <li>• E-way bill [sec 68]</li> </ul>
Verification of registration application	/ of	01.05.2021 to 30.06.2021	to 15.07.2021	
Issuance of refund rejection order		15.05.2021 to 29.06.2021	<b>Later of:</b> <ul style="list-style-type: none"> <li>• 15 days after receipt of reply to the SCN from taxpayer</li> <li>• 30.06.2021</li> </ul>	

VIII. **Relaxation in time limits to file appeal, etc by Honorable Supreme Court Misc. application no. 665/2021 in SuoMotu Writ Petition (Civil) No. 3 of 2020:**

- Earlier vide its suo-moto order dated 23.03.2020 and 08.03.2021, the Hon'ble Supreme Court had directed that period of limitation in filing petitions / applications/ suits/ appeals, etc prescribed under general law or special laws in respect of all judicial or quasi-judicial proceedings, whether condonable or not, shall stand extended till further orders (extended from 15.03.2020 to 14.03.2021).
- The Hon'ble Supreme Court further extended the aforesaid period of limitation of filing cases in various legal forums **with effect from 14.03.2021 until further orders** in view of hardships faced by litigants due to the alarming Covid-19 situation.
- Supreme Court on 27 March, 2021 has also clarified that the period from 14th March, 2021 till further orders shall also stand excluded in computing the periods prescribed under Sections 23 (4) and 29A of the *Arbitration and Conciliation Act, 1996*, Section 12A of the *Commercial Courts Act, 2015* and provisos (b) and (c) of Section 138 of the *Negotiable Instruments Act, 1881* and any other laws, which prescribe period(s) of limitation for instituting proceedings, outer limits (within which the court or tribunal can condone delay) and termination of proceedings.

- **Press release dated 28.05.2021** also clarified that wherever timelines are extended by Honorable Supreme Court, same shall apply to GST Act. Hence, aforesaid suo-moto Order of Supreme Court shall apply to appeals / orders to filed / passed under GST Act.

**IX. Other relaxations give under Notification no. 27/2021-CT dated 01.06.2021, 23/2021-CT dated 01.06.2021:**

- Penalty for non-compliance of Dynamic QR code between 01.12.2020 to 30.06.2021 waived subject to condition that tax payer complies with said provision from 01.07.2021
- Companies registered Companies Act 2013 allowed to file GSTR-3B / GSTR-1/ IFF using EVC from 27.04.2021 to 31.08.2021
- Government department and Local authorities are exempted from issuance of e-invoice.

**X. Dispute resolved-Interest on net output tax liability:**

- Since a long time, there has been confusions and contradictions on how the Interest shall be calculated. GST Council in its 31st meeting held on 22nd December, 2018 recommended that Interest on delayed payment shall be charged on 'Net Liability' (after adjustment of ITC) of the taxpayer. However, the same was not made effective.
- Section 112 of Finance Act 2021 is made effective from 01.06.2021 with retrospective effect vide notification no. 16/2021-CT dated 01.06.2021.
- Section 112 inserted proviso in section 50 of CGST Act to provide as under:

*"Provided that the interest on tax payable in respect of **supplies made during a tax period and declared in the return for the said period furnished after the due date** in accordance with the provisions of section 39, except where such return is furnished after commencement of any proceedings under section 73 or section 74 in respect of the said period, shall be payable on that **portion of the tax which is paid by debiting the electronic cash ledger**".*

- Thus, interest on delayed payment of tax is to be paid on net tax liability w.e.f. 01.07.2017.








**CA Keshava N Ballakuraya**



**CA Shraddha Sanghvi**



## TEST YOUR KNOWLEDGE!

-  \_\_\_\_\_ is elected as the new president of United Nations General Assembly
-  Increase in the interest and corresponding decrease in the intrinsic value of debt instruments indicates \_\_\_\_\_. (A) Interest rate risk (B) Liquidity risk (C) Default risk (D) Purchasing power risk
-  At a general meeting of a company a matter was to be passed by a special resolution. Out of 40 members of the company, 20 voted in favour of the resolution, 5 voted against it and 5 votes were cancelled. The remaining 10 members abstained from voting.
- The chairman declared resolution as (A) Passed (B) Invalid (C) Cancelled (D) Accepted
-  A foreign company in which the Indian company holds \_\_\_\_\_ in nominal value of the equity share capital will be treated as foreign specified company for the purpose of section 115BBD (Tax on certain dividends received from foreign companies) of the Act.  
(A) 25% or more (B) 26% or more (C) 50% or more (D) 51% or more
-  Derelict are goods that  
(A) are abandoned by the owner in an emergency with a hope of recovering it later  
(B) Owner has no intention to abandon but get sunk and drift to the shore  
(C) Owner has no intention to abandon but float and drift to the shore  
(D) Are abandoned by owner of goods without any hope of recovery

## ANSWERS

FOR THE TYK OF PREVIOUS EDITION

CORPORATE LAW		TAXATION	
<input type="radio"/> At least one member		<input type="radio"/> Rs. 60 Lakhs	
<input type="radio"/> after the date of 30 <sup>th</sup> June, 2023		<input type="radio"/> 30 <sup>th</sup> September, 2022.	
GENERAL KNOWLEDGE		PUZZLE	
<input type="radio"/> Pokhran nuclear Test		<input type="radio"/> 19 years	
<input type="radio"/> Jean-Henry Dunant		<input type="radio"/> Nephew	

Answers may be sent to [icaiebulletin@gmail.com](mailto:icaiebulletin@gmail.com)  
Correct answers will be out in the next edition.

*The names of the first five persons who give correct answers to all the questions, will also be published*



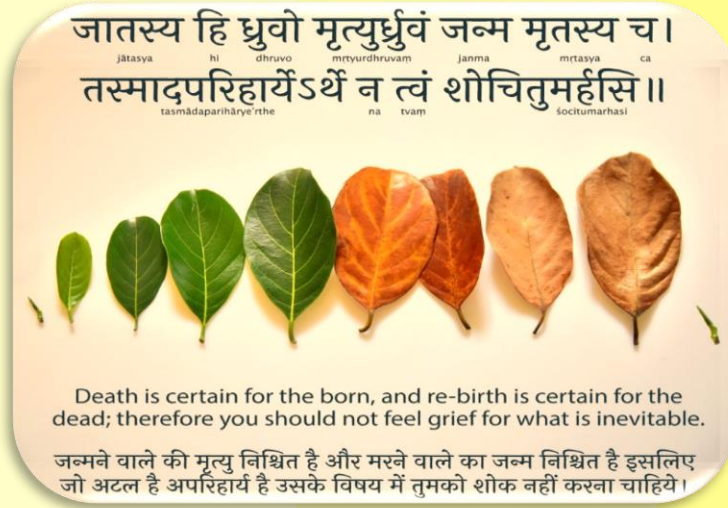
## **WORDS OF WISDOM**



- ❖ Happiness is a inner joy. It is a delicate balance between "What I want & What I have "
- ❖ A lie may take care of the present, but it has no future.
- ❖ The only way to do great work is to love what you do.
- ❖ We can't have all that we desire, But time will give us all that we deserve.
- ❖ The potential within you is greater than the obstacles around you.
- ❖ Having a place to go- is a home. Having someone to love – is a family. Having both – is a blessing.
- ❖ Once you start working on something, don't be afraid of failure and don't abandon it. People who work sincerely are the happiest.
- ❖ Test a servant while in the discharge of his duty, a relative in difficulty, a friend in adversity, and a wife in misfortune.
- ❖ God is not present in idols. Your feelings are your god. The soul is your temple.
- ❖ Never share your secrets with anybody. It will destroy you
- ❖ When wealth is lost, nothing is lost; when health is lost, something is lost; when character is lost, all is lost.
- ❖ A healthy attitude is contagious but don't wait to catch it from others. Be a carrier.



# WORDS FROM THE HOLY BOOK



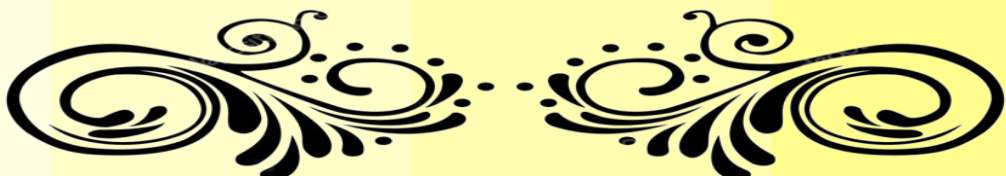
**Context:** The Mahabharat relates an incident regarding this. During the period of their exile in the forest, one day while wandering the five Pandavas were thirsty and came across a lake. Yudhishtir asked Bheem to go and fetch water for all of them. When Bheem reached the lake, a *yakṣha* (powerful spirit) began speaking from inside the lake, "I will only let you drink/ take the water if you first answer my questions." Bheem paid no heed and proceeded to drink water & immediately fell unconscious. After some time when Bheem did not return, a concerned Yudhishtir sent Arjun to see what was happening and fetch water. When Arjun reached the lake, the *yakṣha* gave him a similar warning. Arjun also paid no heed, and faced the same fate. The other brothers, Nakul and Sahadev, followed him, but they too met with the same fate. Finally, Yudhishtir himself came to the well. Once again, the *yakṣha* said, "Answer my questions if you want to drink water from the lake, or you will have to face the same consequences as your four brothers." Yudhishtir agreed to answer the questions. The *yakṣha* was actually the celestial God of death, Yamraj, in disguise. He asked sixty questions, each of which was answered perfectly by Yudhishtir.

One of these questions was: *kim āśhcharyam?* "What is the most surprising thing in this world?" Yudhishtir replied:

ahany ahani bhūtāni  
gacchanti ha yamālayam  
śeṣāḥ sthāvaram icchanti  
kim āścaryam ataḥ param

"At every moment people are dying. Those who are alive are witnessing this phenomenon, and yet they do not think that one day they will also have to die. What can be more astonishing than this?" Shree Krishna explains in this verse that life is inescapably a dead end, and so a wise person does not lament over the inevitable.

**(Bhagavad Gita: Chapter 2, Verse 27)**



MANGALURU BRANCH OF SIRC OF ICAI  
ICAI BHAWAN | NEAR KANCHANA HYUNDAI SHOWROOM | PADIL  
MANGALORE – 575007

Tel: 0824-2439722 Email: [mangalore@icai.org](mailto:mangalore@icai.org)

Website: [www.mangalore-icai.org](http://www.mangalore-icai.org)

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