



Important Updates

Dear All,

As the financial year end approaches, we have prepared a list of compliance deadlines/ action points under GST laws and Income tax laws to be undertaken before 31st March 2021, as under:

GST

1. From 1st April, 2021, it is mandatory to **mention HSN/SAC code**, as per the below table, on tax Invoices and in GSTR-1 return [Notification No. 78/2020 – Central Tax, dated 15th Oct, 2020].

Sl No	Aggregate Turnover in the FY 2020-21	No of Digit of HSN Code
1.	Upto Rs. 5 Crore	4 Digit
2.	More Than Rs. 5 Crore	6 Digit

In case of non-compliance, a **penalty of INR 50,000/-** (INR 25,000/- each for CGST and SGST) can be levied for non-mentioning or mentioning wrong HSN/ SAC Code under Section 125 of the Central Goods and Services Tax Act, 2017.

2. **E-Invoicing** is mandatory from 1st April, 2021, if aggregate turnover exceeds Rs. 50 Crores during the preceding financial year (Notification No 05/2021 dated 8th March, 2021). Penalty for non-issuance of e-invoicing – 100% of the Tax due or Rs. 10,000/- whichever is higher.
3. Last date to file **GST Annual return** and **GST Audit** (GST-9 and 9C) for the FY 2019-20. Late fee will be Rs. 200/- per day after 31st March, 2021.
4. 31st March 2021 is the last date to apply for **LUT** i.e. export without payment of tax, for the FY 2021-22
5. **Selection of Core field** is to be done on the GST Portal. [There are three types of core fields - 1. Manufacturer 2. Trader 3. Service Provider and others.]
6. **Aadhar Authentication** of all the partners/ Proprietor/ directors is to be made by 31st March 2021
7. Last date to opt for **Composition Scheme** for the FY 2021-22 is 31st March 2021

Income Tax

1. **TDS/TCS Return** for Q-1 and Q-2 for the FY 2020-21 is 31st March, 2021.
2. **Income Tax return** (Belated Return) for the FY 2019-20 can be filed upto 31st March.2021.
3. **Linking** PAN with Aadhar
4. Investment under **Tax Saving Instruments** like PPF, LIC, NSC or mediclaim under section **80C and 80D** to be made for FY 2020-21 upto 31st March 2021
5. **Deposit TDS @5% on rent paid** Rs. 50,000/- pm or more, for the FY 2020-21, even if the entity is not liable to tax audit., also mandatory to deduct the TDS by individual/HUF.
6. From 1st April, 2021, employees' contribution to specified fund (**ESIC and EPF**) will not be allowed as deduction, if there is delay in deposit **even by a single day** as per the due dates mentioned in the respective legislation.
7. Tax deduction at source and tax collection at source rate will be back at normal i.e. pre COVID level. TDS/TCS will be deducted at full rate, there will be no rebate of 25% effective from 1st April, 2021.

MSME ACT

1. Existing Registration under MSME Act (UAM) will be valid only up to 31st March, 2021. (i.e. UAM obtained till 30th June, 2020) To continue the benefit of MSME Act, Migration to new UAM/EM Part II should be completed on or before 31st March, 2021.

Delhi VAT Act

1. The last date to complete assessment for the FY 2016-17, for sale against statutory forms, under Central Sale tax Act is 31st March, 2021.