

Indirect Taxes



Important compliances mandatory under GST from 1st April 2021

- The due date to furnish annual return to be filed by taxpayers consisting of details regarding the outward and inward supplies made or received under different tax heads in Form GSTR-9 and Form GSTR-9C (whose turnover during a financial year exceeds INR 5 crores) for FY 2019-20, as extended vide Notification No. 4/2021- Central Tax dated February 28, 2021.
- The functionality to opt for composition has been made available for FY 2021-22 in the dashboard of taxpayers at GST Common Portal. The eligible taxpayers, who wish to avail the composition scheme may opt in for composition
- As per Rule 46(b) of the CGST Rules, new/unique series of invoices to be raised for FY 2021-22, so that there is no duplication or repetition of invoices with preceding FY
- The first phase of e-invoicing was implemented from October 1, 2020 vide Notification No. 13/2020- Central Tax dated March 21, 2020 for taxpayers with an aggregate turnover in any preceding financial years from FY 2017-18 onwards exceeding INR 500 crore.
- Further, vide Notification No. 88/2020- Central Tax dated November 10, 2020, the aggregate turnover limit for e-invoicing was reduced to INR 100 crore w.e.f. January 01, 2021.
- Now, vide Notification No. 05/2021- Central Tax dated March 8, 2021, the aggregate turnover limit for e-invoicing has been further reduced to INR 50 crore w.e.f. April 01, 2021.
- The aggregate turnover will include the turnover of all GSTINs under a single PAN.
- Note: ITC shall not be available to the recipient of goods or services without having e-invoice issued by the supplier who is liable for raising e-invoice. Therefore, taxpayers need to ensure that the supplier is complying with all the provisions with respect to the e-invoicing.
- Guidelines for taxpayers having aggregate turnover between 50 cr. and 100 cr
- The first phase of QR Code for B2C invoices was introduced vide Notification No. 14/2020- Central Tax dated March 21, 2020 w.e.f. October 1, 2020. For registered persons whose aggregate turnover in any financial year, starting from FY 2017-18, exceeds INR 500 crore.
- However, its implementation was deferred till November 30, 2020 vide Notification No. 71/2020- Central Tax dated September 30, 2020.
- Further, vide Notification No. 89/2020- Central Tax dated November 29, 2020, penalty for non-compliance of QR Code provisions was waived off from December 1, 2020 till March 31, 2021 if complied from April 1, 2021.

- Furthermore, CBIC has issued clarifications on applicability of QR Code on B2C invoices for registered persons having aggregate turnover of more than Rs. 500/- Cr w.e.f. April 1, 2021 vide Circular No. 146/02/2021-GST dated February 23, 2021
- Note: Where the supplier needs to show a dynamic QR code available through a digital display, the cross-reference of the payment made through it should be made available. In case of non-compliance, liability to pay penalty may arise on all B2C supply.
- Notification No. 12/2017- Central Tax dated June 28, 2017 was amended vide Notification No. 78/2020 – Central Tax, dated October 15, 2020, to mandate compulsorily mentioning of 4/6- digit HSN/SAC Code on supply of goods or services on the tax invoices w.e.f. April 1, 2021:

S. No.	Aggregate Turnover in the preceding Financial Year	Number of Digits of HSN Code
1.	Upto INR 5 Cr. For all B2B Supplies	4
2.	More than INR 5 Cr. For all B2B and B2C Supplies	6

- Further, 4- digits HSN Code is optional in respect of supplies made to unregistered persons i.e., B2C supplies for a registered person having aggregate turnover upto INR 5 crores in the previous financial year.
- Note: the above changes of mentioning 4/6 Digit HSN/ SAC code, as applicable, are also required to be captured in Table 12 of Form GSTR-1 (i.e., details of outward supplies of goods or services) and therefore, corresponding changes are made in the same in GSTR 1.
- Further, 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 CGST Act (i.e., General penalty).

- Every registered exporter who desires to export the goods or services without the IGST shall apply for renewal of LUT at the end of financial year, for the next FY 2021-22 in order to continue making the exports without the payment of IGST.
- An exporter is required to furnish a bond or LUT to the jurisdictional Commissioner before effecting zero-rated supplies
- The window to opt-in or opt- out of the QRMP Scheme for the first quarter of FY 2021-22 i.e., From April 1, 2021 to June 30, 2021 is open now at GST Portal
- GST registration updation may be required in some cases, wherein wrong information about the taxable person under GST has to be updated on the GST Portal about and to further ensure accommodate/ add any new line of business within the year.
- Similarly, any amendment with respect to address or constitution of business need to be ensured to be matching with the actual scenarios.

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