

E - Pistle

For the month of February 2022

Jagmohan Singh & Associates

Address: B-1/517 C ,Upper Ground floor,
Over the Indusind Bank
Near District Center, Janakpuri New Delhi-110058

*“If you don't be updated &
upgraded you will be outdated”*

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Goods & Services Tax



- The due date to file GSTR-5 by Non-resident taxable persons is revised from 20th of next month to 13th of next month.
- Concessional customs duty on import of capital goods to be phased out, the initial rate of 7.5% to be imposed.
- Customs duty on imitation jewellery was raised to discourage their imports.
- Duty on specified leather, packaging boxes reduced to incentivise exports.
- Customs duty on cut and polished diamonds, gems to be reduced to 5%.
- Customs duty exemption on steel scrap is being extended by a year to help MSMEs.
- Customs duty on methanol to be reduced.
- Levying additional excise duty at Rs.2 per litre on unblended fuel to encourage fuel blending.

“ For more info refer the link attached with the Highlighted News “

- The record collection of Rs.1,40,986 crore gross GST revenues in January 2022 was the highest since GST inception.
- Sections 42, 43, and 43A pertaining to matching, reversal of tax credits have been removed.
- Section 38, earlier called furnishing of inward supplies, is amended completely to remove reference of earlier GSTR-2 and replace it with GSTR-2A and GSTR-2B with new heading as 'Communication of details of inward supplies and input tax credit'.
- An important amendment to the Central Goods and Services Tax Act is in Section 16, 34, 37, 39 and 52. The last date to make amendments, corrections, upload missed sales invoices or notes or to claim any missed Input Tax Credit or ITC of one financial year is no longer due date to file September return of the following year, but it is 30th November of the following year.
- Section 29 of the CGST Act is amended for Cancellation of GSTIN by officer. If a composition taxable person fails to file an annual return for three months beyond the due date of 30th April of the following year, his registration can get cancelled. Likewise, for any other taxpayer, the six months consecutive default in return filing is replaced with consecutive tax period default as may be prescribed.

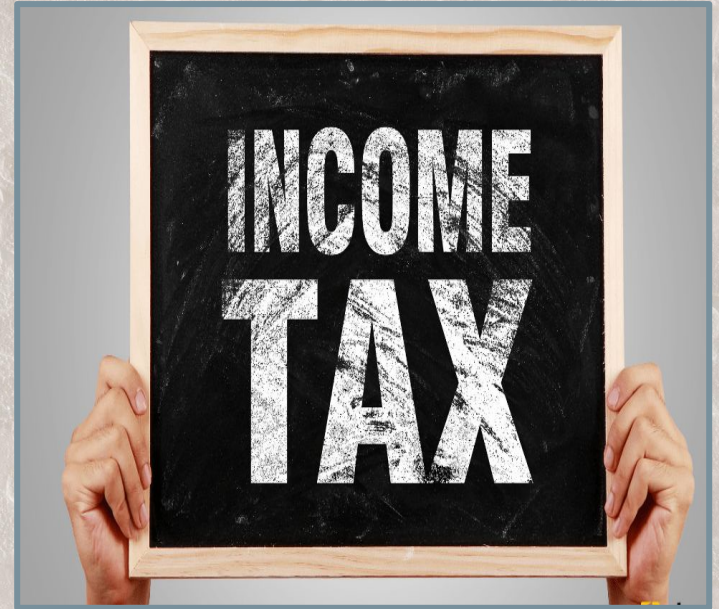


Website Link= [GST Notifications \(cbic.gov.in\)](https://cbic.gov.in)

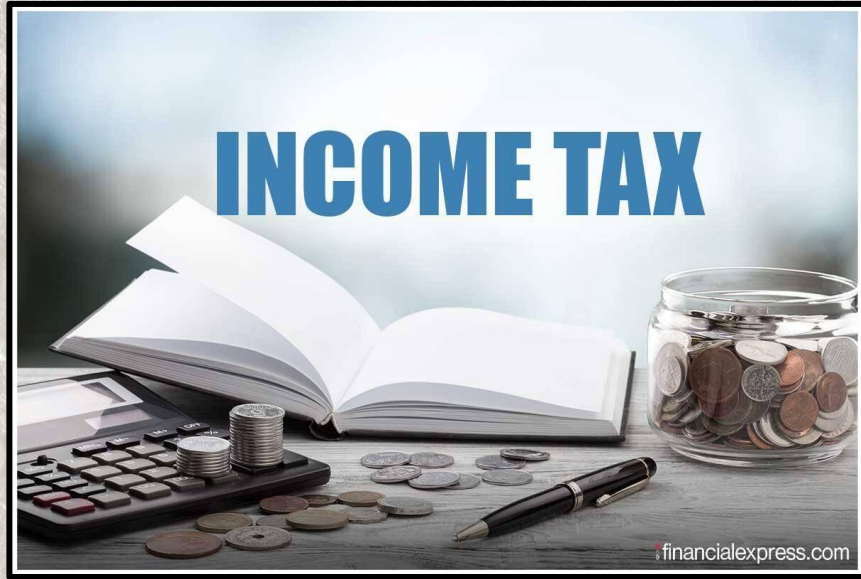
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Income Tax

- A new provision is introduced to allow taxpayers to update the past return and include omitted income by additional tax payment. The updated return can be filed within two years from the end of the relevant assessment year.
- The tax incentive period is extended by one year for startups. Eligible startups incorporated under Section 80-IAC will now get tax benefits until March 31, 2023.
- Corporate surcharge to be reduced from 12% to 7%.
- Alternate Minimum Tax (AMT) to be reduced to 15% for co-operative societies.
- Income from transfer of digital assets such as crypto to be taxed at 30%. No deductions will be allowed except the cost of acquisition of digital assets. Loss on sale of digital assets cannot be set off against any other income. TDS at 1% will be levied above the threshold. Gifting of digital assets will also be taxable in the hands of the receiver.



“ For more info refer the link attached with the Highlighted News “



- To bring parity between Central and state government employees, the Finance Ministry proposed to increase the threshold of employers contribution to the National Pension Scheme (NPS) Tier-I account from 10% to 14%.
- The parent/guardian of the differently-abled can get a tax deduction on payment of the annuity or lump sum during the lifetime of parent or guardian, once the parent or guardian has attained 60 years.
- Any surcharge and cess levied on income are not allowed as business expenditure.
- Brought forward loss cannot be set off against undisclosed income detected during any survey or search.

“ For more info refer the link attached with the Highlighted News “

MCA

- The MCA issued the circular number 01/2022 on due date extension for the filing of AOC-4, AOC-4 (CFS), AOC-4 XBRL AOC-4 Non-XBRL forms till 15th March 2022, and MGT-7/MGT-7A forms till 31st March 2022.
- The MCA department has informed stakeholders about SRN numbers for all the complaints and cases related to LLPs, auditors, all communications, etc.
- The MCA department has issued the notification related to extending the due date of existing MSMEs registration till 31st March 2022.

Website link=[Notifications \(mca.gov.in\)](https://www.mca.gov.in)

“ For more info refer the link attached with the Highlighted News “



Budget Highlights (1)

- a. **Defence R&D to be opened up for industry and startups.**
- b. **Startups will be promoted to facilitate 'drone shakti' to promote drone usage.**
- c. **Government to promote funds for blended finance (government share limited to 20%) for sunrise opportunities such as climate action, agri-tech, etc.**
- d. **Fund to be facilitated through NABARD to finance startups for agriculture and rural enterprise, relevant for farm produce value chain. Startups will support FPOs and provide tech to farmers.**
- e. **Use of Kisan Drones to be promoted for crop assessment, digitisation of land records, spraying of insecticides and nutrients.**
- f. **Procurement of wheat in Rabi season 2021-22 and the estimated procurement of paddy in Kharif season 2021-22 will give cover 1208 lakh metric tonnes of wheat & paddy from 163 lakh farmers with Rs 2.37 lakh crore will be the direct payment of MSP value to their accounts.**
- g. **Delivery of hi-tech services for farmers to be launched.**
- h. **MSP for farmers to be transferred directly into bank accounts.**

Budget Highlights (2)

- a. **Chemical-free natural farming to be promoted in India.**
- b. **RBI to introduce the digital rupee using blockchain technology starting 2022-23.**
- c. **Energy efficiency and saving measures will be promoted.**
- d. **A battery-swapping policy to be brought out with interoperability standards to boost the EV ecosystem.**
- e. **FM announces Rs 19,500 crore allocation in PLI for solar modules.**
- f. **68% of the capital procurement budget in defence will be earmarked for the domestic industry in 2022-23.**
- g. **An open platform for the National Digital Health Ecosystem will be rolled out. It will consist of digital registries of health providers and facilities, unique health identity and universal access to health facilities.**
- h. **Pandemic has brought to the fore the issue of mental health. A national tele mental health programme will be launched.**
- i. **400 Vande Bharat trains with higher efficiency for passengers will be developed in the next three years.**
- j. **Production Linked Incentive (PLI) Scheme for achieving Atma Nirbhar Bharat has received an excellent response, potentially creating 60 lakh new jobs and additional production of 30 lakh crore during the next Keycap digit five years.**
- k. **PLI schemes across 14 sectors have achieved a tremendous response and created 60 lakh job opportunities.**
- l. **Issuance of e-passports with futuristic tech to be introduced in 2022-23.**
- m. **An online bill system will be launched to reduce the delay in payment. All central ministries will use it.**
- n. **Credit growth increased by Rs 5.4 lakh crore this year, the highest in many years.**

About Us

Jagmohan Singh & Associates was established in the year 1997. It is a leading Chartered Accountancy firm rendering comprehensive professional services which include Audit, Management consultancy, Tax consultancy, Accounting services, Manpower management, Secretarial services etc.

Jagmohan Singh & Associates is a professional managed firm. The team consists of distinguished chartered accountant, corporate finance advisors and tax consultants. The firm represents a combination of specialized skills, which are geared to offer sound financial advice and personalized proactive services. Those associated with the firm have regular interaction with the industry and other professional which enables the firm to keep pace with contemporary development and to meet the needs of its clients.

