

From The Editor's Desk

With immense pleasure we gladly present to you the 39th edition of ECHO, the voice of Team JVR.

April marked the beginning of the new financial year and with it we are gearing up to face new audit season, lets grow together to be "Bigger, Better and Bolder"!

Our theme for this year is "hope." Hope for what's to come, as vaccines roll out and our community continues to grow and flourish, a year has passed since India started to fight COVID-19 pandemic and there were some prominent changes that organizations made to adapt to the changing environment.

The January 2021 result spread a new light into the world and JVR produced two Chartered Accountants, CA. Ragi R. Nair and CA. Sruthi Mohandas. Congratulations on passing the exams in flying colours.

"Coming together is a beginning, staying together is progress, and working together is success" - Henry Ford

Have a nice read guys.



CA. Sruthi Mohandas



CA. Ragi R. Nair

Congratulations..



Freehit – Cricket Tournament by Ernakulam Branch of SIRC of ICAI

Chairman of SIRC of ICAI @ JVR



INCOME TAX UPDATES

1) Taxability of Interest on Provident Fund Schemes:

Interest earned on annual PF contribution exceeding 2.5 Lakhs will be subjected to the tax.

2) Extension of benefits u/s 80EEA for First time home buyers

A deduction for interest payments up to Rs 1,50,000 is available under Section 80EEA on satisfying certain conditions such as stamp duty value of such property does not exceed 45 Lakhs and the assessee does not own any residential property on the date of sanction of loan. This deduction is over and above the deduction of Rs 2 lakh for interest payments available under Section 24 of the Income Tax Act. This scheme is extended up to 31.03.2022.

3) Goodwill is no longer a depreciable Asset:

Goodwill of a business or profession is no longer a depreciable asset (Amendment to section 2, 32 & 43).

4) Revamped structure for Reassessment

Normal Cases	3 Year from the end of relevant assessment year.
Specific Cases (Income chargeable to tax, represented in the form of asset which has escaped assessment amounts to Rs.50 Lakhs or more.)	10 Year from the end of relevant assessment year.

5) Increase in safe harbor threshold under Section 43CA from 10% to 20%

The safe harbor threshold from existing 10% to 20% under section 43CA of the Act, if the following conditions are satisfied: -

- The transfer of residential unit takes place during the period from 12th November, 2020 to 30th June, 2021.
- The transfer is by way of first-time allotment of the residential unit to any person.
- The consideration received or accruing as a result of such transfer does not exceed two crore rupees.

6) Reducing time limit for completion of Assessment:

Particulars	Present Time Limit	Revised Time Limit
Intimation order of Processing ITR u/s 143(1)	1 Year from the end of financial year in which return is furnished.	9 Months from the end of financial year in which return is furnished.
Notice u/s 143(2) for assessment	6 Months from the end of financial year in which return is furnished.	3 Months from the end of financial year in which return is furnished.
Assessment Order u/s 143 and 144	21 Months from the end of the assessment year.	9 Months from the end of the assessment year.

7) Trust or institution or university or other educational institution or any hospital or other medical institution or the grant of approval of a fund under clause (i) or clause (ii) or clause (iii) or clause (iv) of first proviso to clause (23C) of Section 10 are required to re-register a fresh by using modified form-10A. Form-10A is also to be used for fresh registration under any of the above sections.

8) Guidelines for submission of Statement of Financial Transactions (SFT) for Dividend Income (Section 285BA of the Income Tax Act, 1961 and Rule 114E).

Transaction Code	SFT 015
Transaction Description	Dividend income
Nature and value of transaction	Dividend distributed during the financial year.
Class of person required to furnish	A company paying dividend.
Remarks	<ol style="list-style-type: none">1) The information is to be reported for all dividend distributed during the financial year.2) The statement of financial transactions shall be furnished on or before the 31st May, immediately following the financial year in which the transaction is registered or recorded.3) One report would include details of dividend payment to one person.4) Dividend will be the total amount of dividend distributed during the financial year.

9) TDS & TCS rates which were reduced by 25% due to COVID-19 pandemic is back to normal rates from 1st April 2021.

GST UPDATES

1. E-Invoice - As per Notification No. 05/2021 - Central Tax dated 08th March 2021, E-Invoice will be mandatory to all the registered person whose aggregate turnover crossed Rs. 50 Crores in any previous financial year from 2017-18 onwards.
2. E-Way Bill -Detention, seizure, and release of goods and conveyance in transit, the penalty applicable will be 200% of the tax payable. (Amendment to section 129 of CGST Act)
3. Input Tax Credit -ITC will be available to the taxpayer, only if the supplier has uploaded the invoice in GSTR-1 and filed it within the due date and the invoice is reflecting in the GSTR-2B of the taxpayer.
4. QR Code - CBIC has issued clarifications on applicability of QR Code on B2C invoices for registered persons having aggregate turnover of more than Rs. 500 crore with effect from 01/04/2021.

MCA UPDATES

1. Corporate Social Responsibility Amendment Rules, 2021.

- Mandatory Registration of CSR Entity - Every entity which intends to undertake any CSR activity, shall register itself with the Central Government by filing the form CSR-1 electronically with the Registrar, with effect from the 01st day of April 2021.
- Following type of NGO's are eligible to file Form CSR-1 on MCA Portal for getting CSR Funding:
 - a. Company established under Section 8 of the Companies Act, 2013 with Section 12A and Section 80G registrations under the Income Tax Act, 1961.
 - b. Registered Public Trust with Section 12A and Section 80G registrations under the Income Tax Act, 1961.
 - c. Registered Society with Section 12A and Section 80G registrations under the Income Tax Act, 1961.
 - d. Company established under Section 8 of the Companies Act, 2013 or Registered Trust or Registered Society established by the Central Government or State Government.
 - e. Entity established under an Act of Parliament or State Legislature.

A Cruise Through The Ripples

The dawn of 13th February 2021 was filled with great excitement. This year's JVR annual trip was destined to Spice Routes Luxury Houseboat, Alappuzha for a cruise in the sprawling network of backwater canals. Everyone gathered at office in the morning and the bus journey till there was filled with cheers, songs and dances.

The warm weather welcomed us as we reached there by noon, after a small photo session we climbed onto the cruise. The calm glistening backwaters was the perfect backdrop to the events, no wonder Alappuzha is known as the Venice of the east.

There was a wide range of entertainment programmes by our partners and articles throughout the day on board. Post lunch the juniors were given a small and hilarious ice breaking session.

From there we headed to Marari Village Beach Resort to explore the beach. As we reached there the night was falling and the setting sun's red rays lit up the sky above the western horizon. After refreshing ourselves with the gentle waves that washed our feats and the cool breeze, we freshened up to grub on some delicious food.

We left there with a lot of unforgettable memories. The day was well spent with JVR family, even though the trip was set up within the COVID constraints.

As Tim Chachill said "A journey is best measured in friends, rather than in miles"!

