

Shiv & Associates
Chartered Accountants



Beginning of New Financial Year

Key Changes Applicable from April 1, 2021

TASKS TO PERFORM BEFORE FINANCIAL YEAR CLOSING

- 31.03.2021 is the Last date to:

Under Income Tax

- File/ Revise ITR for FY 2019-20
- Make Investment for Tax Savings for FY 2020-21
- File TDS Return for Q1 & Q2 of FY 2020-21
- Link PAN with Aadhar to avoid PAN becoming inoperative and TDS deduction at higher rate

Under GST

- File GST Audit and Annual Return
 - Avail Composition Scheme for FY 2021-22
- Take Physical Stock Count and Reconcile with Inventory Records
- Reconcile your GST Returns with Books of Accounts



KEY CHANGES w.e.f. April 1, 2021

Under Income Tax

TRUST REGISTRATION

- All Trusts/ Charitable Institutes required to re-register under Income Tax for FY 2021-22

RELAXATION IN AUDIT

- Incentive to shift to non-cash transactions- If Turnover < Rs. 10 crore and cash receipts and payments are less than 5%, then no requirement of Tax Audit for FY 2021-22.

CHANGES IN TDS RATE

- 25% relaxation in TDS Rate expires on 31.03.21. Original Rate applicable w.e.f. 01.04.21

TDS/ TCS on	Section	Rate till 31.3.21	Rate w.e.f 1.4.21
Contractor	194C	1.5%	2%
Interest	194A	7.5%	10%
Professional Fees	194J	7.5%	10%
Technical Fees	194J	1.5%	2%
Rent- Building/ Furniture	194I	7.5%	10%
Commission	194H	3.75%	5%
Sale of Goods (T.O.> Rs. 10 crore)	206C(1H)	0.075%	0.1%

KEY CHANGES w.e.f. April 1, 2021

Under GST

HSN CODE MANDATORY

- HSN Code mandatory to mention on all invoices as under:

Annual Turnover in Last Year F.Y. 2020-21	B2B	B2C	Exports
Upto Rs. 5 crore	4 digit	Optional	8 digit
> Rs. 5 crore	6 digit	6 digit	8 digit

- HSN Code wise supply details to be reported in GSTR-1 as well.

GST AUDIT

- W.e.f. 01.04.2021, GST Audit removed and replaced with self-certification

E-INVOICING

- E-invoicing mandatory w.e.f. 01.04.2021 for persons having Turnover > Rs. 50 crore.
- Invoices issued by such person to mandatory have Invoice Reference Number (IRN).

FILING LUT

- Letter of Undertaking (LUT) for export expires on March 31, 2021 and new LUT required to be filed.

KEY CHANGES w.e.f. April 1, 2021

Under Other Acts

COMPANIES ACT

- Accounting software to maintain trail log for date of accounting entry and any changes made in an accounting entry.
- This shall curb back dating of entry and shall make it mandatory to have books of accounts maintained regularly.

MSME ACT

- Udyog Aadhar registration shall become invalid w.e.f. 01.04.2021
- All entities to obtain fresh 'Udyam' registration

**Wish you a prosperous
New Financial Year 2021-22**



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