

Dear Readers,

After having discussed Covid-19 for almost a year and a half, it feels that we have finally found some space to look at other things.

The supply chain disruptions caused by the pandemic has related to some supply constraints that have pushed inflation in India higher than the 6% which was supposed to be RBI's highest tolerance level. However, since these are not demand lead and the RBI shall ensure that they continue to support growth as there is a lot to be done till we are able to reach back at our true economic potential.

Vaccine availability has eased from the initial period where we are short supplied. We need to encourage more people around us to get the vaccine as that would be critical to achieve a level of immunity that could help us avoid further 'waves' of the pandemic and would enable our businesses to get back to normalcy. This is a joint responsibility we all have towards a commitment to revert to a thriving economy.

Business and market volatility is likely to be higher with more surprises as the economy keeps adjusting to demand ebbing and flowing and supply chains reverting to normalcy over time. The business managers shall need to ensure that they are able to focus on the short-term volatility while planning strategically for the longer term.

Our work for the next few months is cut out, barring a new wave emerging which is a distinct possibility. Manage the short term, be strategic for the longer term, stay safe and get vaccinated.

Here's hoping that we avoid any further Covid waves are our businesses and the economy revert to normal at the earliest.

**Regards,**

**Haresh Chheda**

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## DIRECT TAX

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### INTRODUCTION FOR TDS ON PURCHASE OF GOODS

To widen the scope of TDS, new tax provision has been introduced under the Income Tax Act for certain buyers having turnover of more than INR 10 Crores. This compliance applies with effect from 01 July 2021 in respect of purchase of goods exceeding INR 50 lakhs from a single seller during the financial year.

To know more in detail, please [click here](#).

### INTRODUCTION FOR HIGHER RATE OF TDS/TCS FOR NON FILERS

In order to encourage people to file their income tax returns, new provisions under the Income Tax Act are made applicable with effect from 01 July 2021, based on which deductors/collectors may have to deduct/collect TDS/TCS at higher rate in case the deductee/collectee has not filed the Income Tax returns for 2 years and aggregate TDS/TCS in his case exceeds 50,000 in both the years.

To know more in detail, please [click here](#).

## INDIRECT TAX (GST)

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### GST UPDATES ON EXTENSION OF DUE DATES FOR JUNE'21

The GST Council in its 43<sup>rd</sup> meeting held on 28<sup>th</sup> May, 2021 at New Delhi took the following decisions relating to changes related to GST law and procedure. The same have been notified via 12 notifications on 01<sup>st</sup> June 2021. A synopsis of all such notifications is provided hereunder.

To know more please [click here](#).

## IGST ON IMPORT OF OXYGEN CONCENTRATORS BY INDIVIDUALS AS A GIFT FOR PERSONAL USE

The second wave Covid-19 pandemic has turned out to be far worse than the first. While the number of people gasping for breath is remarkably high the tax policy and administration of the country is, on the other hand, also struggling with an oxygen crisis of its own (in a manner of speaking).

To know more please [click here](#).

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**Our mailing address is:**

GBCA & Associates LLP, Chartered Accountants

Benefice Business House, 3rd Level, 126,

Mathuradas Mill Compound, N.M.Joshi Marg, Lower Parel (West)

Mumbai 400013

India.