

# BASCO BULLETIN...



We are glad to present thereof our Newsletter "BASCO Bulletin". I would also like to extend my thanks to my peers, friends and to the team of BASCO for having contributed to this edition. I shall be glad to receive all kinds of suggestions for our future editions. Through our newsletter we are taking this initiative, keeping in mind such evolving informative needs of our clients and peers and to be a part of the Global Village of our fraternity.

We are glad to present the **12<sup>TH</sup>Edition** of our Newsletter "BASCO Bulletin" amidst these challenging times where the entire Nation and the economy is facing the tough challenge by wake of outbreak of COVID-19 Pandemic. The COVID-19 pandemic is having a catastrophic effect on all sectors of work and overnight physical interaction & collaboration reduced to online meetings and calls over Skype and Zoom calls.

The lockdown has forced Companies around the world to adapt to new ways of working and doing business which experts believe will become the "New Normal".

On the other hand, various Economic and Non-economic measures have been taken to fight these difficult situations and the Central Government has provided further relief to taxpayers by extending various time limits of Compliances. The situation the world is facing is a truly unprecedented one. The global coronavirus pandemic is affecting all of our families, our businesses and our communities. Our people's health is our top priority and as the situation escalates we must take strict precautions to protect our colleagues and families by maintaining proper hygiene and maintaining social distancing norms.

We are sure and positive that our economy will come out stronger from this difficult situation and we at BASCO are committed to handholding all our clients and peers amongst these difficult times and are fully committed and available to all your queries and needs.

# 194Q VS 206C(1H) of Income Tax Act, 1961

The Finance Bill, 2021 has introduced section 194Q - TDS on purchase of goods which is having resemblance to section 206C (1H) - TCS on Sale of Goods brought in by Finance Bill, 2020. TDS section 194Q has been introduced in **Budget 2021** and will get applicable from 1<sup>st</sup> July, 2021 whereas the TCS section 206C (1H) has been effected from 1<sup>st</sup> October, 2020.

Let us see a comparison between the two:

| <b>PARTICULARS</b>             | <b>SECTION 194Q</b>   | <b>SECTION 206C(1H)</b>   |
|--------------------------------|---|---|
| <b>Purpose</b>                 | Tax to be deducted  | Tax to be collected   |
| <b>Applicability</b>           | Buyer/Purchaser   | Seller  |
| <b>Counter party</b>           | Resident Seller   | Resident Buyer  |
| <b>Trigger point</b>           | Turnover/ Gross Receipt/ Sales from the business of <b>BUYER</b> should exceed Rs 10 crore during the year (FY 20-21) (excluding GST)                   | Turnover/ Gross Receipt/ Sales from the business of <b>SELLER</b> should exceed Rs 10 crore during the year (FY 19-20) (excluding GST)  |
| <b>W.E.F</b>                   | 1st July, 2021  | 1st October, 2020   |
| <b>Timing of tax deduction</b> | Payment or credit whichever is earlier  | At the time of receipt  |
| <b>Advances</b>                | TDS shall be deducted on advance payment made   | TCS shall be collected on advance receipts  |
| <b>Rates</b>                   | 0.1%<br>5% (If <b>PAN</b> not available)<br>on amount exceeding Rs 50 Lakhs   | 0.1% (0.075% for FY 2020-21)<br>1% (If PAN not available)<br>On amount exceeding Rs 50 Lakhs  |
| <b>Not applicable to</b>       | Transactions on which TDS is applicable under other provisions of the act<br><br>Transactions on which TCS is applicable under 206C other than 206C(1H) | Transaction on which TDS/TCS is applicable under other provisions of the act and the same has been complied with (Meaning thereby; in a situation where TDS has been deducted u/s 194Q this section will not apply) |
| <b>Exclusion</b>               | Yet to be notified by Government  | If buyer is –   |

|   |   |  |
|---|---|--|
|   |   | Importer of goods<br>Center/State Govt., Local Authority<br>An embassy, High Commission, consulate and trade representation of a foreign state |
| <b>TAN requirement</b>                          | YES   | YES  |
| <b>When to deposit/collect</b>                  | Tax so deducted shall be deposited with government by 7th day of subsequent month | Tax so deducted shall be deposited with government by 7th day of subsequent month  |
| <b>Form</b>                                     | 26Q   | 27EQ   |
| <b>Certificate to be issued to seller/buyer</b> | Form – 16A  | Form – 27D   |

**Example:**

| SLNO | Buyers Turnover | Sellers Turnover | Transaction Value | Section Applicable |
|------|-----------------|------------------|-------------------|--------------------|
| 1    | 5Cr             | 11Cr             | 55Lakhs           | 206C(1H)           |
| 2    | 15Cr            | 7Cr              | 58Lakhs           | 194Q               |
| 3    | 12Cr            | 13Cr             | 54Lakhs           | 194Q               |
| 4    | 7Cr             | 5Cr              | 58Lakhs           | NA                 |
| 5    | 12Cr            | 15Cr             | 45Lakhs           | NA                 |

**Conclusion**

In Memorandum to budget 2021 no specific reason has been provided for introduction of such TDS when TCS u/s 206C (1H) was already introduced by Finance Act, 2020. The only clarification mentioned in memorandum for this section is as under:

**“There is one exception to this general rule. If on a transaction TCS is required under sub-section (1H) of section 206C as well as TDS under this section, then on that transaction only TDS under this section shall be carried out.”**

Thus as seen above there was already TCS provision for sale of goods and now TDS has also been introduced for similar kind of transaction. As we can see all the provisions and conditions are similar and hence department has introduced a clarification that TCS is not required to be collected on transaction where TDS is being deducted.

Hence, now before the transaction the seller and buyer have to communicate with each other that whether buyer will deduct TDS or seller will collect TCS.

Although deducting TDS would be more sensible and more practical in all situations.

Further, the definition of turnover would change in TDS and TCS, as under TDS GST won't be a part of turnover whereas under TCS GST would form a part of turnover.

Thus, it would be interesting to see as to how people will again change their system and accounting software for such TDS and what is the motive of government behind such TDS.

Also, this TDS provision will be a path breaking thing because till date there was no TDS provision on sale of goods as all the TDS provision were for service but now this provision has been inserted.

***Contributed by  
Ms. Raksha Baid***

# WEALTH MANAGEMENT TERMS

When someone goes for investment, he confronts so many terms which are quite confusing. Here, I have tried to define some of the words which are spoken commonly but meaning is not clear to some investors:

1. **Asset Allocation:** It is a method of investment where investor invests in range of different investment classes such as equities, fixed income bearing instruments and cash equivalents.
2. **Balanced Fund:** Here objective is Long term growth through investment in equities and bonds.
3. **Benchmark:** Investment performance is measured by comparing with unmanaged group of securities like return on NSE, S&P 500 Index etc.
4. **Diversification:** The practice of investing in multiple asset classes with different risk characteristics.
5. **Exchange Traded Funds:** These are basket of securities that trade like a stock on exchange. Mutual Funds are traded once a day only and ETF are traded like shares.
6. **Expense Ratio:** These are costs incurred to manage an investment fund. These are deducted through return on investments.
7. **Growth Funds:** They invest with longer period in mind and seldom they pay dividend to the unit holders.
8. **NASDAQ:** Full form is The National Association of Securities Dealers Automated Quotation. It measures the performance of more than 5000 US and Non US companies traded over the counter.
9. **Rebalance:** The process of moving money from one type of investment to another type of investment to maintain a desired asset allocation.
10. **Goal based investment:** Here firstly a goal is fixed like higher education of child, then expected cost to complete the education is calculated and finally an investment amount is arrived in the form of lump sum and SIP to meet the goal.
11. **Historic Return:** These are the returns of an investment in past. They are one of the mechanisms to estimate the future returns of similar investment.
12. **Annuity:** A Financial instrument that guarantees a certain payout as lump sum or increments or combination of both.
13. **Blue Chip:** A blue chip company is one which is nationally recognized, financially sounds and historically is secured company.
14. **SIP:** It was first started in India in 1993. The basic sound established fundamental is to buy more when price is low and buy less when price is high. Here in SIP, when market is high then lesser units will be purchased and when market is low, higher units will be purchased. Meaning thereby, the timing to enter in the market is no more relevant in this method of investing.
15. **Financial Advisor:** He is the one who understands your needs and income and then plans to meet your goals in future. He helps you in fulfilling your financial goals.
16. **Weight age Rate of return:** Compound rate of return is considered as weighted rate of return. Here, return is calculated on principle plus return plus return on principle plus return after completion of specified period. Like in PPF, interest is credited after one year and then interest for the year is calculated on opening balance which includes principle and interest.

***Contributed by***

***CA Arun Patodia***

# 11 of the Best Gmail Features that will help you organize your Email



Almost everyone is using Gmail these days, but how many of those users know all the tricks and features Google has dropped into its email platform over the last 16 years? Let us bring you right up to speed with the best Gmail features you might not have found yet.

## **1. Snooze so you don't forget**

Just like the snooze button on your alarm that you employ when you aren't ready to get out of bed, Gmail has a snooze button for messages you aren't ready to respond to but don't want to lose track of in your inbox. Hover over a message in your inbox and click the little clock button on the right and pick a later time and date -- later today, tomorrow, next week or a specific time you set -- for it to appear back at the top of your inbox.

## **2. Schedule emails**

Let's start up top with the newest addition: You can now schedule emails to be sent tomorrow morning, tomorrow afternoon, or whenever you like. It's not available in to every user yet, but if you've got the update, you'll see a drop-down menu next to the Send button.

## **3. Mute annoyingly noisy email threads**

Getting stuck on a group email thread can be as annoying on a laptop as a group text on your phone. If you have an active group email and no longer care to follow the back-and-forth chatter, you can opt out. Open the thread, click the triple-dot button at the top and click Mute. The conversation will be moved to your archive / mute, where it will remain even when more replies arrive.

If you later get curious about what you missed, you can always find it in the All Mail view of Gmail, which includes your archived messages. You can then unmute the conversation if you so choose by opening the conversation and clicking the X button next to the Mute label at the top of the page. Once unmuted, the next time you receive a reply; it will show up at the top of your inbox.



## **4. Forward All**

If you use the "Forward all" function, all the messages from the email thread are put into a single message with all the attachment taken together. They're also listed in chronological order, going from oldest to most recent (top to bottom), so you can read and

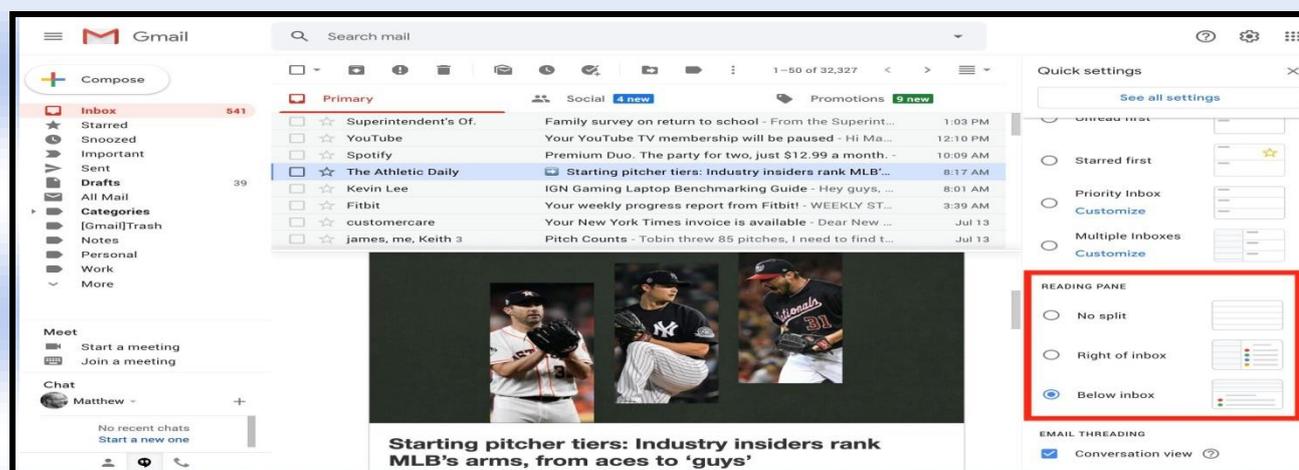
understand the conversation much more easily. To use this function, instead of hitting Forward like you usually do, you need to head up to More > Forward all.

## 5. Canned Responses

This is a handy function if you find yourself typing the same response over and over to different emails. Rather than doing it one by one, Canned Response lets you save your common messages so you can instantly insert them going forward.

## 6. Reading pane for an Outlook-like look

If you've got a big display, I encourage you to make use of your luxurious screen real estate and use Gmail's reading pane. It makes Gmail look and feel more like Outlook, where you can view and respond to messages without leaving the inbox. Click the gear icon in the upper-right corner to open the Quick Settings panel, scroll down to Reading pane and select Right of inbox or below inbox to split your view horizontally or vertically.



## 7. Enable auto-advance and thank me later

I spend a large chunk at the beginning and end of each workday deleting unwanted emails. I prefer to open each email before deleting it so I can take at least a quick glance at it before discarding it. By default, Gmail sends you back to your inbox instead of the next message when you delete an opened message, which requires more clicks and time to clean out your inbox. You can change this behavior in settings, however, so you advance to the previous or next message after you delete an opened message.

## 8. Do more with a right-click

An update that rolled out in February lets you do more with a right-click on a conversation thread. Move emails across tabs, snooze emails, mute conversations, open emails in a new window, find messages from a specific sender, and do just about everything you could want to do from the main Gmail view on the web

## 9. Save the day with Undo Send

Ever send an email to a friend about how awful your senior is and realize — you sent it to your senior? Gmail has a solution in Undo Send. Go to “Settings”, scroll down to “Undo Send” and select the maximum amount of time for recall, 30 seconds. If you act within those 30 seconds, you can retract a message by going to the bottom left of the sent email, and selecting the option to “Undo” or by clicking on “View message” and then clicking “Undo”.

## **10. Set an expiry time or Get secretive with Confidential Mode**

With Gmail's Confidential Mode, I can elect to send emails that require SMS passcodes to open and remove access from certain recipients if need be. It also enables you to make an email self-destruct. Confidential mode rolled out for consumers last year, letting you limit message copying and downloading, and adding an optional expiry time: find it via the menu button (three dots) on mobile or the padlock symbol on the web when composing an email.

## **11. Save to Google Drive**

Any attachment that shows up in your inbox can be saved to Google Drive with a tap or a click—perfect if you spend a lot of your digital life inside Drive and don't want to clutter up your local computer with files. The Drive icon appears on top of attachments when viewed on the web or inside the Android app, and when you open attachments in the iOS app.

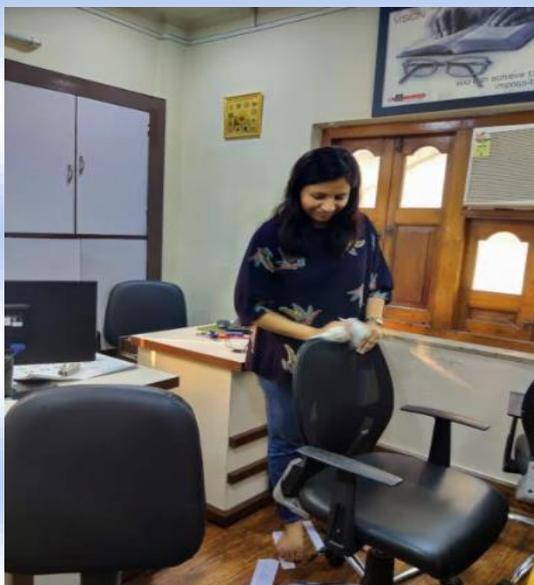
***Contributed by  
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**TDS Due Dates For FY 20-21**

| Quarter     | Period                       | Last Date of Filing |
|-------------|------------------------------|---------------------|
| 1st Quarter | 1st April to 30th June       | 31st March 2021     |
| 2nd Quarter | 1st July to 30th September   | 31st March 2021     |
| 3rd Quarter | 1st October to 31st December | 31st Jan 2021       |
| 4th Quarter | 1st January to 31st March    | 31st May 2021       |

**Saturday Cleaning Activity**





### **Every Obstacle Presents An Opportunity To Improve Our Condition.**

There once was a very wealthy and curious king. This king had a huge boulder placed in the middle of a road. Then he hid nearby to see if anyone would try to remove the gigantic rock from the road.

The first people to pass by were some of the king's wealthiest merchants and courtiers. Rather than moving it, they simply walked around it. A few loudly blamed the King for not maintaining the roads. Not one of them tried to move the boulder.

Finally, a peasant came along. His arms were full of vegetables. When he got near the boulder, rather than simply walking around it as the others had, the peasant put down his load and tried to move the stone to the side of the road. It took a lot of effort but he finally succeeded.

The peasant gathered up his load and was ready to go on his way when he saw a purse lying in the road where the boulder had been. The peasant opened the purse. The purse was stuffed full of gold coins and a note from the king. The king's note said the purse's gold was a reward for moving the boulder from the road.

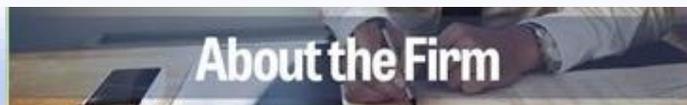
The king showed the peasant what many of us never understand:

**Every obstacle presents an opportunity to improve our condition.**

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We have been engaged in the profession of Chartered Accountants since 1997. We have a professional team of young and energetic individuals having dynamic approach towards offering high quality professional services to our clients which has helped us immensely in building long term mutual benefit relationships.

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- Audit
- Taxation (DirectTax)
- InternationalTaxation
- Consultancy
- Secretarialworks
- Valuation
- Registration

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