

# MONTHLY NEWSLETTER

NOVEMBER 2021  
Volume 1 Issue 2

S M B & ASSOCIATES,  
COIMBATORE  
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## Getting Started

*By Partners*

**Greetings to All!**

We extend our gratitude for the response on our monthly newsletter and here it is for the month of November!

This initiative of monthly newsletter (Vol I - Issue 2) with the idea of easing your preparedness for the upcoming due dates on compliance under various laws by your business, is for your view.

Festival of Lights is round the corner & in the same way the month of November, 2021 is filled with statutory due dates for various compliances under Goods and Service Act, Income Tax Act, Companies Act and LLP Act. Filing the below-mentioned forms on or before the due dates will save from hefty penalties. Hope the Compliance Calendar for the Month of November, 2021 is helpful to you.

Many of the business feel the heat of upcoming compliance dates and this initiative continues with articles on thought bound concepts which we forget to look around in fast changing Audit Arena.

Why worrying around due dates now! Check our newsletter and have a **Happy & safe Diwali!**

# Fiscal Deficit

By Partners

## What is Fiscal Deficit?

The difference between total revenue and total expenditure of the Government is termed as fiscal deficit. It is an indication of the total borrowings required by the Government. While calculating the total revenue, borrowings are not included.

Generally, fiscal deficit takes place either due to revenue deficit or a major hike in capital expenditure. Capital expenditure is incurred to create long-term assets such as factories, buildings and other development.

A deficit is usually financed through borrowing from either the Central Bank of the country or by raising money from capital markets, by issuing different instruments like treasury bills and bonds.

## What is Revenue Deficit?

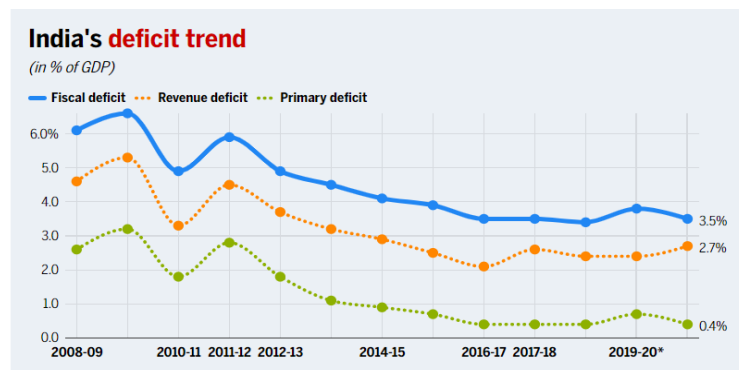
When the government's total revenue expenditure exceeds its total revenue receipts, that means the net income is less than the net expenditure, as a result of which, there is revenue deficit. This deficit is seen when the actual amount of revenue or expenditure does not correspond with the budgeted revenue or expenditure.

## What is Primary Deficit?

Gross Primary Deficit is Gross Fiscal Deficit less interest payments. Net Primary Deficit is Net Fiscal Deficit minus net interest payments. Net interest payment is interest paid minus interest receipt.

## India's Fiscal Deficit, Revenue Deficit & Primary deficit for last 10 years

(Source: Times of India)



## What does higher fiscal deficit have to do with common man?

Let's take an example here, In your house YOU (PRIVATE ENTITIES) have got Rs. 10 as income and Rs. 12 as expenditure, YOUR MOM (GOVERNMENT) has got Rs. 15 as income and Rs. 20 as HOUSEHOLD EXPENDITURE. Now your mom is running short of Rs. 5 and you are running short of Rs. 2. You both go to YOUR DAD (MARKET) who has Rs. 6 as surplus. Now your father is in idea of lending you money for interest. Where as total demand is Rs. 7, but only Rs. 6 is available with him. Now this leads to the situation where the money will be given to a person who has higher interest rate.

Now think of a situation where originally a private entity would have got funds @ interest rate of 6% but due to government entering into market, private entity is forced to borrow money at higher interest rate. This in turn will lead to higher cost for the entity and the cost of the output will be increased and it indirectly leads to inflation.

## Conclusion:

Fiscal deficit is one of the many factors which could affect inflation. At present increasing the amount of tax collection is the one of method to keep fiscal deficit in check. National Monetisation pipeline is another good alternative brought in by the government to keep the revenue of the government intact. In the next edition of newsletter the reads would get some insight into National monetisation pipeline.

DUE DATES FOR GST RETURNS - NOVEMBER' 21

DUE DATE	FORM TO BE FILED	PERIOD	WHO SHOULD FILE?
10.11.2021	GSTR 7	October 2021	GSTR 7 is a return to be filed by the persons who is required to deduct TDS (Tax deducted at source) under GST
10.11.2021	GSTR 8	October 2021	GSTR-8 is a return to be filed by the e-commerce operators who are required to deduct TCS (Tax collected at source) under GST
11.11.2021	GSTR 1	October 2021	Taxpayers having an aggregate turnover of more than Rs. 1.50 Crores or opted to file Monthly Return
13.11.2021	GSTR 1 (IFF)	October 2021	GST return for the taxpayers who opted for QRMP scheme (Optional)
13.11.2021	GSTR 6	October 2021	Input Service Distributors
20.11.2021	GSTR 5 & 5A	October 2021	Non-Resident Taxpayers and ODIAR services provider
20.11.2021	GSTR 3B	October 2021	The due date for GSTR-3B having an Annual Turnover of more than 5 Crores
25.11.2021	GST Challan Payment	October 2021	GST Challan Payment if no sufficient ITC for September (for all Quarterly Filers)

COMPANY & LLP ANNUAL FILING DUE DATES

28.11.2021 (As per the MCA MGT 7A Help Kit)	Form MGT 7A	FY 2020-21	One Person Company does not require to hold AGM, yet the due date for filing Form MGT 7A shall be 60 days from the completion of the 6 Months from the end of financial year, that means the due date shall be 28.11.2021. (The due date for filing form MGT 7A has been extended till 31st December, 2021)
31.12.2021 - As extended			

### Important Updates:

- Relaxation on levy of additional fees in filing of e-forms AOC-4, AOC-4 (CFS), AOC-4, AOC-4 XBRL AOC-4 Non-XBRL and MGT -7 / MGT -7A for the financial year ended on 31.03.2021 under the Companies Act, 2013 upto **31.12.2021**

## DUE DATES FOR INCOME TAX COMPLIANCE / PF / ESI - NOVEMBER 2021

07.11.2021	Challan No. ITNS-281	October 2021	Payment of TDS/TCS deducted /collected in September 2021.
14.11.2021	TDS Certificate	September 2021	Due date for issue of TDS Certificate for tax deducted under Section 194IA in the month of September, 2021
14.11.2021	TDS Certificate	September 2021	Due date for issue of TDS Certificate for tax deducted under Section 194IB in the month of September, 2021
14.11.2021	TDS Certificate	September 2021	Due date for issue of TDS Certificate for tax deducted under Section 194M in the month of September, 2021
15.11.2021	Form 24G by Government officer	September 2021	Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of October, 2021 has been paid without the production of a challan
15.11.2021	Form No. 3BB	October 2021	Due date for furnishing statement in Form no. 3BB by a stock exchange in respect of transactions in which client codes been modified after registering in the system for the month of October, 2021
15.11.2021	TDS Certificate	July to September 2021	Quarterly TDS Certificate (in respect of tax deducted for payments other than salary) for the quarter ending September 30, 2021
15.11.2021	Electronic Challan cum Return (ECR) (PF)	October 2021	E-payment of Provident Fund
15.11.2021	ESI Challan	October 2021	ESI payment
30.11.2021	TDS Challan-cum-statement	October 2021	Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, 194 IB, 194M
30.11.2021	Form 3CEAA	FY 2020-21	Report in Form No.3CEAA by a constituent entity of an international group for the accounting year 2020-21
30.11.2021	Form No. 64	FY 2020-21	Statement of income distribution by Venture Capital Company or venture capital fund in respect of income distributed during previous Year 2020-21 (Form No. 64)
30.11.2021	Form No. 3CEFA	-	Due date to exercise option of safe Harbor rules for international transaction by furnishing Form 3CEFA.



30.11.2021	Form No. 3CEFB	-	Due date to exercise option of safe Harbor rules for specified domestic transaction by furnishing Form 3CEFB
30.11.2021	Form No. 64A	FY 2020-21	Due date for filing of statement of income distributed by business trust to unit holders during the financial year 2020-21. This statement is required to be filed electronically to Principal CIT or CIT in form No. 64A
30.11.2021	Form No. 9A	-	Application in Form 9A for exercising the option available under Explanation to section 11(1) to apply income of previous year in the next year or in future (if the assessee is required to submit return of income on November 30, 2021).
30.11.2021	Form No. 10	-	Statement in Form no. 10 to be furnished to accumulate income for future application under section 10(21) or section 11(1) (if the assessee is required to submit return of income on November 30, 2021).
30.11.2021	As per Rules 5D, 5E & 5F	-	Statement by scientific research association, university, college or other association or Indian scientific research company as required by rules 5D, 5E and 5F (if due date of submission of return of income is November 30, 2021).
30.11.2021	Form No. 67	FY 2020-21	Due date for claiming foreign tax credit, upload statement of foreign income offered for tax for the previous year 2020-21 and of foreign tax deducted or paid on such income in Form no. 67. (if due date of submission of return of income is November 30, 2021).
30.11.2021	Form No. 15CC	April to June 2021	Quarterly statement in respect of foreign remittances (to be furnished by authorized dealers) in Form No. 15CC for quarter ending June, 2021
30.11.2021	Form No. 15G/15H	April to June 2021	Upload the declarations received from recipients in Form No. 15G/15H during the quarter ending June, 2021