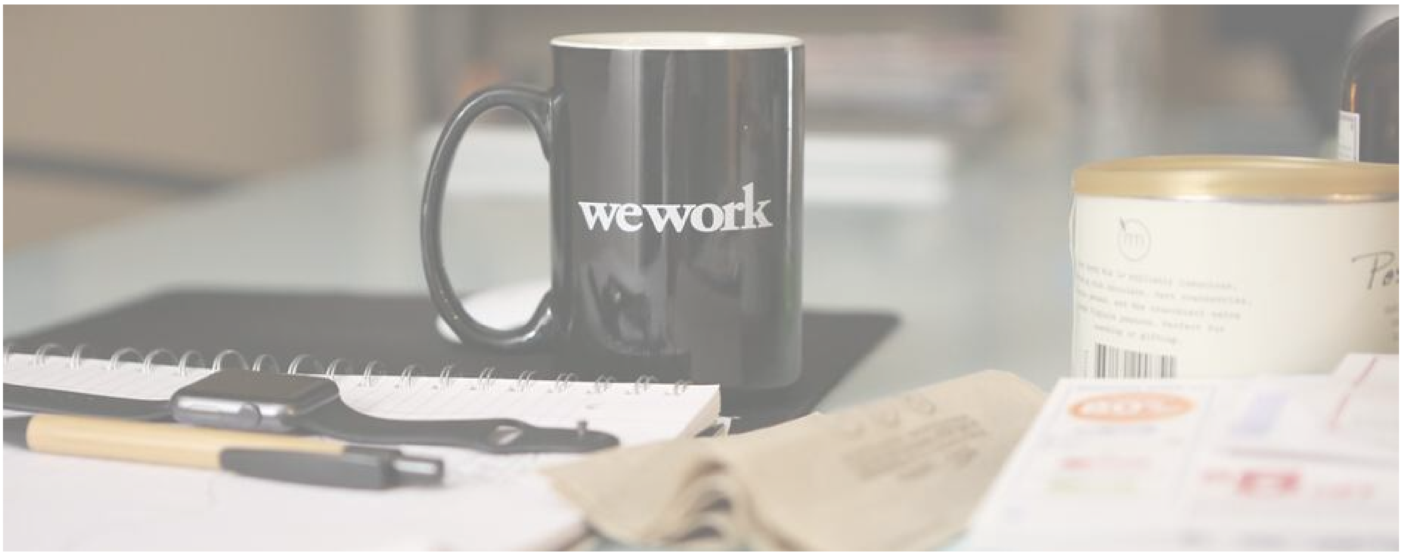
APRIL 04, 2020 | SATURDAY ISSUE 202

THE DAILY LIFELINE

Official Newsletter of Diucon



WHAT'S NEW IN PROFESSIONAL/ BUSINESS WORLD TODAY

Goods & Service Tax
Direct Tax Code
Income Tax
Economy | Finance
Insolvency Laws
Corporate Laws

BIGGEST CHALLENGE- HOW TO KEEP UPDATED ON DAILY BASIS

By Pradeep Goyal, FCA | CFA | CPA, Australia | Registered Valuer | Insolvency Professional | ID-IICA | ICAI Certified GST Expert

Laws are changing frequently in India, there are big developments and announcements on daily basis in Economic & Finance world and many other reforms are on the way. This newsletter will keep you updated on daily basis along with documents taken from authentic sources.

INDEX

UPDATES RELATED TO

- **New Direct Tax Code**
- **Goods & Service Tax & Other Indirect Taxes**
- **Income Tax**
- **Announcements by ICAI**
- **Announcements by ICSI**
- **Corporate Laws**
- **The Insolvency and Bankruptcy Law**
- **Security and Exchange Board of India (SEBI)**
- **Director General of Foreign Trade (DGFT)**
- **Start-ups**
- **Micro, Small & Medium Enterprises**
- **Reserve Bank of India**
- **New acts notified/Bills introduced in parliament or Executive orders by President**
- **Economy & Finance.**

[From Monday to Friday 5 days a week as Saturdays and Sundays being holiday and closure of all government departments hence no updates]

Goods & Service Tax & other Indirect taxes

- **Notifications/Circulars/Press releases/FAQs/Portal Updates/Write-ups by CBIC/Government.**

  - **Government issued GST Notifications and Circular to provide relief to taxpayers in view of spread of Novel Corona Virus (COVID-19).**

    - **Notifications- Non Tariff all dated 03/04/2020**

S.N.	No.	Powers derived from	Description
1	30	Section 164	**2 amendments in CGST Rules, 2017** **1) Proviso in Rule 3(3) is inserted effective from 31st March, 2020: -** ***a) To extend date of opting of composition scheme for FY 2020-2021 in FORM GST CMP-02 to 30th June, 2020*** (originally time to opt for composition scheme is prior to the commencement of the financial year). b) Section 18(4) read with Rule 44(4) provides that where any registered person who has availed ITC, opts to pay tax under section 10, he shall pay an amount, by way of debit in the electronic credit ledger or electronic cash ledger, equivalent to ITC in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock and on capital goods, reduced by such percentage points as may be prescribed, on the day immediately preceding the date of exercising of such option. This details of this reversed amount shall be furnished in FORM GST ITC-03 within a period of sixty days from the commencement of the relevant financial year. ***For FY 2020-2021, this statement now can be furnished up-to the 31st day of July, 2020.***

<table>
<tr><td></td><td></td><td></td><td>
2) Amendment in Rule 36(4)
Rule 36(4) restrict ITC to the tune of 10% of eligible credit available in respect of invoices or debit notes the details of which have been uploaded by the suppliers under sub-section (1) of section 37.
Effective from 03/04/2020, now new proviso is inserted to provide that the said restriction of 20% shall apply cumulatively for the period February, March, April, May, June, July and August, 2020 and the return in FORM GSTR-3B for the tax period September, 2020 shall be furnished with the cumulative adjustment of input tax credit for the said months in accordance with the condition above.
</td></tr>
<tr><td>2</td><td>31</td><td>Section 50(1) r/w 148</td><td>
Government notified interest rates vide Notification No.13/2017 – Central Tax, dated 28th June, 2017. Now this notification is amended through this notification whereas proviso is inserted with effect from 20/03/2020 to conditional lowering of interest rate for certain class of persons for tax periods of February, 2020 to April, 2020.

a) Having Turnover > Rs. 5 Crores in last FY

<table>
<tr><th rowspan="2">Month</th><th rowspan="2">Due date (Existing)</th><th colspan="2">Payment can be made</th><th rowspan="2">3B Filing date</th></tr>
<tr><th>Within 15 days of normal due date</th><th>After 15 days up-to 24/06/2020</th></tr>
<tr><td>February</td><td>Normal</td><td>No interest</td><td>9% interest</td><td>24/06/2020</td></tr>
<tr><td>March</td><td>Normal</td><td>No interest</td><td>9% interest</td><td>24/06/2020</td></tr>
<tr><td>April</td><td>Normal</td><td>No interest</td><td>9% interest</td><td>24/06/2020</td></tr>
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b) Having Turnover >Rs.1.50 Cr ≤Rs. 5 Crores in last FY

<table>
<tr><th>Month</th><th>Payment can be made</th><th>3B Filing date</th></tr>
<tr><td>February</td><td>Without interest</td><td>29/06/2020</td></tr>
<tr><td>March</td><td>Without interest</td><td>29/06/2020</td></tr>
<tr><td>April</td><td>Without interest</td><td>30/06/2020</td></tr>
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c) Having Turnover up-to Rs. 1.5 Crores in last FY
<table>
<tr><th>Month</th><th>Payment can be made</th><th>3B Filing date</th></tr>
<tr><td>February</td><td>Without interest</td><td>30/06/2020</td></tr>
<tr><td>March</td><td>Without interest</td><td>03/07/2020</td></tr>
<tr><td>April</td><td>Without interest</td><td>06/07/2020</td></tr>
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3	32	Section 128 r/w Section 148	Provide relief by conditional waiver of late fee for delay in furnishing returns in FORM GSTR-3B for tax periods of February, 2020 to April, 2020 effective from 24/03/2020. ***[no penalty if returns filed within due dates as per notification 31 above]***
4	33	Section 128	Provide relief by conditional waiver of late fee for delay in furnishing outward statement in FORM GSTR-1 for tax periods of February, 2020 to April, 2020 ***if filed on or before the 30th day of June, 2020.***
5	34	Section 148	**2 amendments in No. 21/2019- Central Tax, dated the 23rd April, 2019.** Registered persons paying tax under section 10 or by availing the benefit of NN 02/2019– Central Tax (Rate), dated 7th March, 2019 a) required to furnish a statement, every quarter or, as the case may be, part thereof containing the details of payment of self-assessed tax in FORM GST CMP-08, till the 18th day of the month succeeding such quarter. ***Now proviso is inserted to extend due date of furnishing FORM GST CMP-08 for the quarter ending March, 2020 till 07.07.2020.*** b) required to furnish a return for every financial year or, as the case may be, part thereof in FORM GSTR-4, on or before the 30th day of April following the end of such financial year. ***Now proviso is inserted to extend due date of filing FORM GSTR-4 for FY 2020-21 till 15.07.2020.***
6	35	Section 168A r/w Section 20 of IGST & 21 of UTGST	***Extend due date of compliance which falls during the period from "20.03.2020 to 29.06.2020" till 30.06.2020*** and to extend validity of e-way bills where an e-way bill has been generated under rule 138 and its period of validity expires during the period 20th day of March, 2020 to 15th day of April, 2020, ***the validity period of such e-way bill shall be deemed to have been extended till the 30th day of April, 2020***
7	36	Section 168 r/w Rule 61(5)	Extend due date for furnishing FORM GSTR-3B for supply made in the month of May, 2020.

- **Circulars**

S.N.	No.	Powers derived from	Description
1	136/06/2020-GST dated 03/04/2020	Section 168	Clarification in respect of various measures announced by the Government for providing relief to the taxpayers in view of spread of Novel Corona Virus (COVID-19) – all notifications stated above have been discussed and explained in details.

Download gazetted copy of all notifications here

❖ **Government took measures to facilitate trade during the lockdown period – section 43AA of the Customs Act, 1962**
CBIC facilitates trade by providing option to submit an undertaking in lieu of bond during lock down period, to ensure that there are no delays or disruption in EXIM trade due to COVID19 pandemic, as per Circular No. 17/2020 dated April 03, 2020.

Income Tax

- **Notifications/Circulars/Instructions/Press releases/FAQs by Board/Government**

❖ **In wake of lockdown following COVID-19 pandemic, Income Tax Appellate Tribunal begins regular interactive sessions**
The Income Tax Appellate Tribunal (ITAT) has commenced today a series of Video Conferences involving regular interactive sessions to productively utilise the time available during the 21-day lockdown to tackle the COVID-19 pandemic. ITAT President, Mr. Justice P.P. Bhatt, in a communication to Vice Presidents and Members of the Tribunal, said such meetings can be utilized for exchanging views and formulating strategies as to how to improve the rate of disposal of cases as well as quality of judicial orders.
Law Ministry Release

- **Legal updates- Tribunals, High Court & Supreme Court judgements**

Sr.No.	**Key to find the document**	**Authority who passed the order**	**Details of decision**	
			Provisions discussed	**Decision**
1	New Delhi Television Ltd (NDTV) Vs Deputy Commissioner Of Income Tax CIVIL APPEAL NO. 1008 OF 2020	Supreme Court	Section 148 r/w 147	Supreme Court quashes reassessment notice as revenue failed to show non-disclosure of facts by NDTV he Supreme Court has quashed reassessment notice issued on assessee-NDTV on reasoning that revenue has failed to show non-disclosure of facts by assessee. The Apex Court held that assessee had fully and truly disclosed all material facts necessary for its assessment and, therefore, the revenue cannot take benefit of the extended period of limitation.
2	[2020] 116 taxmann.com 13 PCIT, Central Kanpur v. Dinesh Chandra Jain IT APPEAL NOS. 276, 277 OF 2015	Allahabad High Court	Section 271(1)(c), read with section 68	Burden of proof in penalty proceedings vary from that in assessment proceedings and findings in assessment proceedings would not automatically be adopted in penalty proceedings; in penalty proceedings revenue authorities have to arrive at independent finding related to 'concealment of income' or 'inaccurate particular'.

Announcement by ICAI

- **Ministry of Corporate Affairs has issued Companies Fresh Start Scheme, 2020" and revised the "LLP Settlement Scheme, 2020 during the period starting from 1st April, 2020 and ending on 30th September, 2020. ICAI has prepared and issued FAQs on the Companies Fresh Start Scheme and LLP Settlement Scheme, 2020 (Original and Modified) for the benefit of its members and other stakeholder.**
  - **FAQs on the Companies Fresh Start Scheme**
    Download here
  - **FAQs on the LLP Settlement Scheme, 2020 (Original and Modified)**
    Download here

- **Committee for Members in Practice (CMP), ICAI is organising following Live Webcasts-**
  - on "Capacity Building Measures of Practitioners with special focus on Strategies for CAs in Practice-Post Covid-19 times" from 11.00 a.m. to 1.00 p.m. on 6th April, 2020- Click here for more
  - on "Capacity Building Measures of Practitioners with special focus on Bank Audit" from 11.00 a.m. to 1.00 p.m. on 9th April, 2020-Click here for more
  - on "Capacity Building Measures of Practitioners with special focus on Strategies of CAs in Practice under GST -post Covid-19" from 11.00 a.m. to 1.00 p.m. on 11th April, 2020-Click here for more
  - on "Capacity Building Measures of Practitioners with special focus on Recent Judicial Pronouncements in Income Tax" from 11.00 a.m. to 1.00 p.m. on 14th April, 2020- Click here for more

- NIRC of ICAI invites for Live webinar on 'Impact of CoViD'19 on Economy and Current Scenario of Capital Market' on 4th April 2020, 5PM onwards.
  Webinar link

- Accounting Standards Board and Auditing & Assurance Standards Board of ICAI, have developed an Advisory on "Impact of Corona Virus on Financial Reporting and the Auditors Consideration" highlighting few important areas which require specific attention in respect of financial statements for the period ending 31.3.2020.
  The ICAI Advisory can be accessed using this link

Announcement by ICSI

- **ICSI issued Clarification/ Guidance on applicability of Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).**
  Read here for more

- **ICSI inform that CS Ashish Garg, President, The ICSI will interact with the students of the Institute on 4th APRIL, 2020 AT 4P.M through "Webcast" to guide and motivate the young students pursuing CS Course. Further, representatives from Directorate of Students Services, Academics and others will also join to clarify doubts on varied topics.**
  Announcement here

The Insolvency and Bankruptcy Law

- **Legal updates- NCLT | NCLAT | SUPREME COURT**

Sr.No.	Key to find the document	Authority who passed the order	Details of decision	
			Provisions discussed	Decision
1	[2020] 116 taxmann.com 15 T.K Santhosh v. Kavitha Surana, RP MA/1347/2019 CP/628/IB/CB/2017 DECEMBER 23, 2019	NCLT Chennai	Section 30	**Resolution professional can place resolution applicants before CoC only on meeting requirements set out u/s 30(2)** Under section 30(2) RP is duty-bound to place resolution plans before CoC only on meeting requirements that have been set out under section 30(2) read with Regulation 37 of IBBI CIRP Regulations; where resolution applicants had not met with eligibility criteria, no occasion would arise to RP to place them before CoC.

Reserve Bank of India

- **RBI Notifies Changes in Market Hours**

The unprecedented situation created by the COVID-19 outbreak has necessitated lockdowns, social distancing, restrictions on movement of people and non-essential activities, work from home arrangements and business continuity plans. The resultant dislocations have adversely impacted the functioning of financial markets. Staff and IT resources have been severely affected, posing operational and logistic risks. The thinning out of activity is impacting market liquidity and increasing volatility of financial prices. In order to minimise these risks and to ensure that market participants maintain adequate checks and supervisory controls while optimising thin resources and ensuring safety of personnel, it has been decided to revise trading hours for various markets as given in this RBI Release

Economy & Finance

- **Covid-19: Govt extends e-way bill validity, defers restricted ITC under GST.**

The government on Friday extended the validity of e-way bills and deferred the application of restricted 10 per cent input tax credit under goods and services tax (GST) giving relief to the industry dealing with supply and cash flow issues amid the coronavirus (Covid-19) induced lockdown. The validity of e-way bills that were set to expire between March 20 and April 15, has been extended till April 30 to help companies facing supply-related issues with orders stuck in transit in most cases. "Where an e-way bill has been generated and its period of validity expires during the period 20th day of March, 2020 to 15th day of April, 2020, the validity period of such e-way bill shall be deemed to have been extended till the 30th day of April, 2020," the finance ministry said in a notification issued late evening on Friday.

Business Standard Report

Knowledge shared= Knowledge^2

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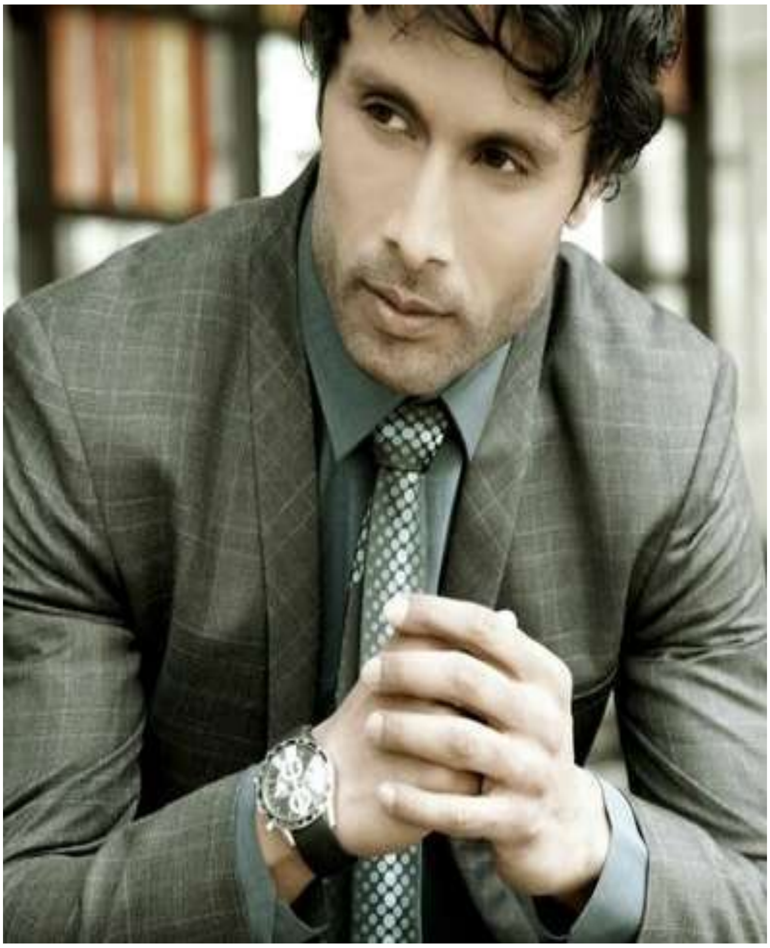
About Scribbler



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- **Associate member** of Professional Accounting Body of Certified Practising Accountants (CPA), Australia.
- **Registered Valuer with IBBI-** Asset Class- Securities or Financial Assets
- **CFA (Corporate Finance)**- Columbia Business School, USA | EMERITUS Institute of Management, Singapore.
- **Certified Goods & Service Tax Practitioner** from ICAI & Ministry of Micro, Small & Medium Enterprises, Government of India.

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Profile

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