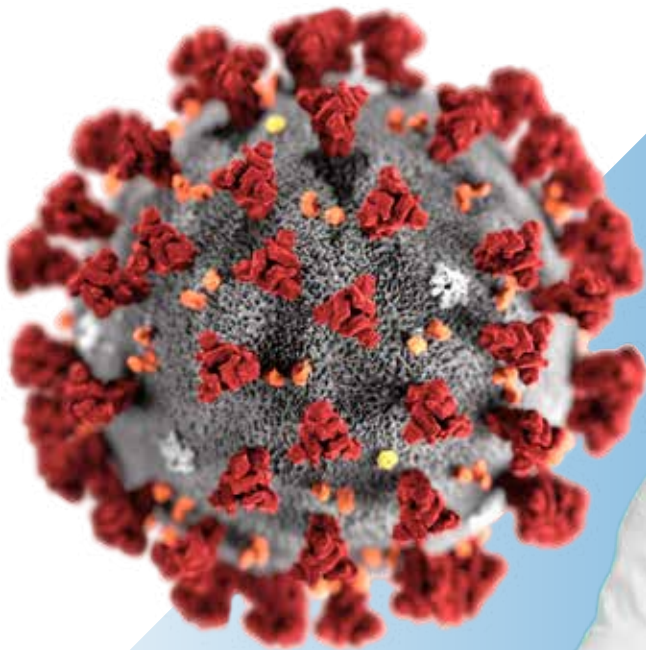

Economic and Regulatory Medicare from government corona pandemic.

Government of India has launched Invest India Business Immunity Platform as a comprehensive resource to help businesses and investors get real-time updates on India's active response to COVID-19 (Coronavirus).



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Dear All,

Month of March is considered as month for closing the financial transaction for the year. Unfortunately, this year March has come with unfortunate pandemic in entire world. Major part of the world is under lock down and struggling to minimize impact of pandemic.

Government of India has launched Invest India Business Immunity Platform as a comprehensive resource to help businesses and investors get real-time updates on India's active response to COVID-19 (Corona virus). Portal provides access to special provisions, and answers and resolves queries through emails and on WhatsApp.

To help support the efforts to address the COVID-19 emergency, SIDBI is supporting MSMEs manufacturing products or providing services related to fighting the Corona virus with the launch of a new scheme, the SIDBI Assistance to Facilitate Emergency (SAFE) response against corona virus. Under the scheme, loans are being extended at a low rate of interest of 5% within 48 hours.

Government of India has extended due dates for various compliance under various laws. At the same time it has taken all the possible measures to protect economy from adverse impact of COVID 19.

Gist of various measures presented below.



COVID-19
CORONAVIRUS

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Compliance reliefs announced under various laws listed below.

Income Tax



Income Tax		
Particulars	Before Relief Grated	After Relief Grated
Payment for Vivad se Vishwas scheme without additional charge 10%	31-03-20	30-06-20
Last date for filing IT return for FY 2018-19	31-03-20	30-06-20
Time limit for investment to claim deduction under chapter VI A	31-03-20	30-06-20
Time limit for investment to claim roll over benefit for capital gains	31-03-20	30-06-20
Due date for any notices, intimation, appeal or return which are falling between 20-03-2020 to 29-06-2020	20-03-20 to 29-06-20	30-06-20
Aadhaar-PAN linking	31-03-20	30-06-20
Interest rate on delayed payment of tax for FY 2019-20 including advance tax, TDS, equalization levy after due date till 30-06-2020	12% or 18% as the case may be	9%
Interest rate on delayed payment of tax for FY 2019-20 including advance tax, TDS, equalization levy after 30-06-2020	12% or 18% as the case may be	12% or 18% as the case may be

Lower TDS		
Sr No	Scenario	Procedure
1	Applied for Lower TDS For F.Y. 2020-21 on TRACES portal + Have Lower TDS Certificate for FY 2019-20	Certificate for FY 2019-20 shall be valid Validity Period : up to 30-06-2020 Disposal of application by AO whichever is earlier
2	Not Applied for Lower TDS For F.Y. 2020-21 on TRACES portal + Have Lower TDS Certificate for FY 2019-20	Certificate for FY 2019-20 shall be valid upto 30.06.2020 Than Apply for FY 2020-21 with modified procedure Time Limit for application : 30.06.2020 Normalcy restored. Whichever is earlier
3	Not Applied for Lower TDS For F.Y. 2020-21 on TRACES portal + Do not Have Lower TDS Certificate for FY 2019-20	Apply for FY 2020-21 with modified procedure Payment to Non-Resident having PE in India : TDS would be @10% (incl. Sur & cess) Time Limit for lower rate : 30.06.2020 Disposal of application by AO, whichever is earlier.

Modified Procedure for Lower TDS / TCS Certificate		
Sr. No	Process to be followed	Documents Required
1	Application under section 197/206C shall be done by sending E - mail to assessing officer (Section 197 : recipient of income liable to TDS under sections 192, 193, 194, 194A, 194C, 194D, 194G, 194H, 194-I, 194J, 194K, 194LA, 194LBB, 194LBC 50[, 194M] and 195 can apply for lower TDS) (Section 206C (9) : Lower TCS certificate application)	<ul style="list-style-type: none"> Duly filled in Form 13 (Annexure I and/or Annexure III) The documents/information as required to be uploaded on TDS-CPC website while filling up of Form 13 Projected Balance Sheet and P&L account of FY 2020-21 Provisional Balance Sheet and P&L account of FY 2019-20 Balance Sheet and P&L account of FY 2018-19 Form 26AS for FY 2019-20 & 2018-19 Income Tax Return of FY 2018-19
2	Application for Lower TDS Certificate under sections 195(2) and 195(3) [these sections pertains to application for lower tds certificate on inome payable to non residents]	Method of application shall be same and application shall be sent through E Mail Certificate will also be sent through E-mail.
3	All certificates shall be sent through E mail and beneficiary can also send deductor/ collector through E mail.	

GST & Other Indirect Tax							
Sr. No.	Return	Turnover	Month / Period	Regular due Date	Revised Due Date	Interest	Late Fees & Penalty
1	GSTR- 3B	Less than 1.5 Crore	Feb-20	22-03-20	30-06-2020	Not charged	Not levied if filed before extended due dates
			Mar-20	22-04-20	03-07-2020		
			Apr-20	22-05-20	06-07-2020		
			May-20	22-06-20	12-07-2020/14-07-2020*		
		More than 1.5 crore but less than 5 crore	Feb-20	22-03-20	29-06-20	Not charged	Not levied if filed before extended due dates
			Mar-20	22-04-20	29-06-20		
			Apr-20	22-05-20	30-06-20		
			May-20	22-06-20	12-07-2020/14-07-2020*		
		More than 5 Crore	Feb-20	20-03-20	24-06-20	Nil for the first 15 days from the original due date, and 9 % thereafter	Not levied if filed before extended due dates
			Mar-20	20-04-20	24-06-20		
			Apr-20	20-05-20	24-06-20		
			May-20	20-06-20	27-06-20	Not charged	
2	GSTR- 1 (Monthly)	More than Rs.1.5 Crores	Feb-20	11-03-20	30-06-20	Not Applicable	No Change
			Mar-20	11-04-20	30-06-20		
			Apr-20	11-05-20	30-06-20		
3	GSTR- 1 (Quarterly)	Less than Rs.1.5 Crores	Jan-Mar 2020	30-04-20	30-06-20	Not Applicable	No Change
4	CMP-08 (Quarterly)	Composition Scheme	Jan-Mar 2020	18-04-20	07-07-20	Not charged	Not charged
	GSTR-04 (Annually)		2019-20	30-04-20	15-07-20	Not charged	Not charged
5	GST Audit	More than Rs.5 Crores	2018-19	31-03-20	30-06-20	No Change	No Change
6	GST Annual Return	More than Rs.2 Crores	2018-19	31-03-20	30-06-20	No Change	No Change
7	Any notice, notification, approval order, sanction order, filing of appeal, furnishing of return, statements, applications, reports, any other documents,	Every Registered Dealer	--	20-3-20 to 29-06-20	30-06-20	Not Applicable	Not Applicable
8	Payment date under Sabka Vishwas Scheme which was due by 31-03-2020 extended till 30-06-2020 with no further interest						

Insolvency & Bankruptcy Code, 2016			
Particular	Existing Limit	New Limit	Benefit
Threshold of default under section 4 of the IBC 2016	1 Lakh	100 Lakhs	Safe guard to MSMEs getting exposed to insolvency proceedings for temporary distress caused by COVID19.
If the current situation continues beyond 30th of April 2020, Ministry may consider suspending section 7, 9 and 10 (which deals with initiation of insolvency process) of the IBC 2016 for a period of 6 months so as to stop companies at large from being forced into insolvency proceedings in such force majeure causes of default.			

Foreign Trade Policy (FTP)	
Sr. No.	Benefits Granted
1	Existing Foreign Trade Policy which was expiring 31-03-2020, has been extended till 31-03-2021
2	IGST exemption on imports, by Advance Authorization and EPCG authorization holders, has been extended by another year to 31-03-2021
3	Validity period for goods imported under Advance Authorization and EPCG Authorization expiring during 01-02-2020 and 31-07-2020 has been extended by 6 months
4	No separate application with composition fee, amendment or endorsement is required for this purpose
5	An automatic extension of 6 months has been given for block-wise export obligation period expiring during 01-02-2020 and 31-07- 2020 under EPCG Scheme and Advance Authorizations.
6	If time limit to submit installation certificate for the goods imported under EPCG Scheme fall between 1-2-2020 to 31-7-2020, date is extended by 6 month from the date of original due date
7	For Exports between 01.02.2020 to 31.05.2020, application for duty credit scripts under MEIS / SEIS can be made within 15 months instead of 12 months.
8	Last date for filing SEIS applications for FY 2018-19 will be 31st December 2020 instead of 31.03.2020.
9	Validity of Letter of Approval issued to Export Oriented units / Software Technology Park expiring on or after 01-03-2020 has been extended to 31-12-2020 or original date of expiry which ever is later.

Customs

Sr No	Relief Granted
1	Custom clearance shall be done round the clock all week days till 30-6-2020.
2	Due date for issue of notice, notification, approval order, sanction order, filing of appeal, furnishing applications, reports, any other documents etc., time limit for any compliance under the Customs Act and other allied Laws where the time limit is expiring between 20th March 2020 to 29th June 2020 has be extended to 30th June 2020.
3	Ministry of Shipping has now issued specific guidelines to Major Ports on Exemptions/Remissions on penalties, demurrages charges, fee, rentals levied on any Port user for any delay in Berthing/Loading/Unloading operations or evacuation/arrival of cargo caused due to lockdown measures from 22nd March, 2020 to 14th April, 2020.

Financial Sector

Liquidity measures by Reserve Bank Of India

Total INR 374000 Crores shall be injected in economy by RBI by adoption of following three measures

Direct Measures	Injection of Money in to Economy
Reserve Bank will conduct auctions of targeted term repos of up to three years tenor of appropriate sizes for a total amount of up to ₹ 1,00,000 Crore at a floating rate linked to the policy repo rate. (TLTROs)	This will inject INR 1,00,000 Crore to the system
Reduction of cash reserve ratio (CRR) of all banks by 100 basis points to 3% of net demand and time liabilities (NDTL) with effect from the reporting fortnight beginning March 28, 2020.	This will release liquidity of about INR 1,37,000 Crore across banking system.
Under Marginal Standing Facility, Banks can now borrow by dipping upto 3% into the Statutory Liquidity Ratio. Earlier the limit was upto 2%.	This will allow banking system to avail additional INR 1,37,000 Crore of liquidity under the LAF MSF window.

Indirect Measures	Impact on financial Sector
Repo Rate reduced to 4.4% (Reduction of 75 basis points) Reverse Repo Rate reduced to 4%. Reduction of 90 basis points)	This will lead to Banks use their funds for lending to productive sectors of economy rather than passively deposit funds with RBI.

Regulatory Measures By RBI	
Moratorium on Term Loans	All commercial banks, Financial Institutions, and NBFCs shall allow optional moratorium of 3 months on payment of instalments on all term loans outstanding as on 1-3-2020
Deferment of Interest on Working Capital Facilities	Lending institutions shall allow optional deferment of 3 months on payment of interest on working capital facilities sanctioned in the form of cash credit/overdraft outstanding as on 1-3-2020.
Non Classification as Special Mention Account (SMA) and Non-Performing Asset (NPA)	Moratorium / deferment will not result in asset classification downgrade.

General Relief Granted By RBI	
No charges shall be levied for withdrawal of cash form ATM of other banks for next three months ie. till 24-06-2020	
No fees shall be levied by any bank for three month for not maintaining minimum balance.	

Source: Press release by RBI :

https://www.rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=49582

FEMA	
Extension of Realisation period of export proceeds	Time period for realization and repatriation of export proceeds for exports made up to or on July 31, 2020, has been extended to 15 months from the date of export.

Source: Press release by RBI :

https://www.rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=49619



Companies Act – CFSS, 2020	
Applicable to whom?	Every defaulting company which have made default in filing returns etc. except <ul style="list-style-type: none"> • Vanishing Companies • Amalgamated Companies • Companies which made application for striking off or dormant status • Companies against which final notice for striking of is initiated • Form SH - 7 & Charge related forms (CHG -1, 4, 8 & 9)
Time Duration	1-4-2020 to 30-09-2020
Benefits from CFSS	<ul style="list-style-type: none"> • No additional fees payable • Immunity from penalty and prosecution • Withdrawal of proceedings of adjudication of penalty by ROC u/s 454
Benefit does not include	Any other proceedings involving interest of shareholder or any other person qua the company or its director or KMP.
Modus Operandi	<ul style="list-style-type: none"> • File Form CFSS – 2020 • After filing ROC will issue immunity certificate
Which Form can be filed without Additional fees	76 notified form can be filed without additional fees

Companies Act – Compliance related reliefs		
Compliance	Before Relief Granted	After Relief Granted
Mandatory to hold meetings of the Board of the companies	Within 120 days	180 days till next two quarters i.e., till 30 th September
Applicability of Companies (Auditor's Report) Order, 2020	Applicable from FY 2019-20	Applicable from FY 2020-21
For F.Y 2019-20, if independent director has not held any meetings without the attendance of Non independent directors and members of management.	It was considered as violation	It will not be considered as violation
Mandatory requirement to create Deposit reserve of 20% of deposit maturing during the financial year 2020-21	30-04-20	30-06-20
Mandatory requirement to invest 15% of debentures maturing during a 2020-21	30-04-20	30-06-20
Filing a declaration for Commencement of Business by new company.	Within 6 months of incorporation	Within 12 months of incorporation
Non- Residency in India for a period of at least 182 days by at least one director of every company	It was considered as violation	It will not be considered as violation

Regulations under SEBI LODR, 2019		
Particulars	Due Date	Extended Date
Closure of Trading Window	March 31, 2020	No Extension
Corporate Governance u/r 27 (2)	April 15, 2020	May 15, 2020
Statement of Investor Complaints u/r 13(3)	April 21, 2020	May 15, 2020
Shareholding Pattern u/r 31	April 21, 2020	May 15, 2020
Reconciliation of Share Capital Audit	April 30, 2020	No Extension
Compliance Certificate of CS u/r 7(3)	April 30, 2020	May 31, 2020
Compliance Certificate of PCS u/r 40(9)	April 30, 2020	May 31, 2020
Financial Results u/r 33	May 30, 2020	June 30, 2020
Annual Secretarial Compliance Report u/r 24(A)	May 30, 2020	June 30, 2020
Disclosure of Related Party Transactions u/r 23(9)	Within 30 days of publication of Financial Results	No Extension
SAST Disclosure u/r 30(1), (2) and 31(4)	7 working days from the end of F.Y.	7 working days from the end of June 01, 2020

General Extension of all due dates

Recently, Hon'ble Supreme Court of India also in its suo moto writ petition no. 3/2020 dated 23-03-2020 ordered that a period of limitation under general law of limitation or under special laws (both Central and/or State) shall stand extended with effect from 15-03-2020 till further order/s to be passed by the Hon'ble Supreme Court. This will be applicable for any petition / application / suit / appeal / all other proceedings before Supreme Court / High Courts / Tribunals and Statutory Authorities. This Order of Supreme Court is made under Article 142 read with Article 141 of the Constitution of India and is binding on all Courts/Tribunals and authorities in India.

Partners Profile



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