

Our Views on Press Meeting by FM Nirmala Sitharaman on 24th March, 2020

1. **Income Tax Compliance:**

- a. Due date to file belated or revised return of income for F.Y. 2018-19 extended to 30th June, 2020. However, interest will continue to be charged for delayed payment of tax but @ 9% p.a. instead of 12% p.a.
- b. Vivaad se Vishwas Scheme: The first tranche of payment for the Scheme has now been extended till 30th June, 2020 instead of 31st March, 2020. No additional tax burden of 10% if payment is made upto 30th June, 2020.
- c. No extension for payment of TDS, but delayed payment will now attract interest @ 9% p.a. instead of 18% p.a. till 30th June, 2020.
- d. Due dates for issue of notice, intimation, notification, approval order, sanction order, filing of appeal, furnishing of return, statements, applications, reports, any other documents and time limit for completion of proceedings by the authority and any compliance by the taxpayer including investment in saving instruments or investments for roll over benefit of capital gains under Income Tax Act, Wealth Tax Act, Prohibition of Benami Property Transaction Act, Black Money Act, STT law, CTT Law, Equalization Levy law, Vivad Se Vishwas law, where the time limit is expiring between 20th March 2020 to 29th June 2020 stands extended to 30th June 2020.

E.g.: - Reopening notices will now be issued upto 30th June, 2020, Time limit to pass 263 orders extends to 30th June, 2020, time limit to conclude penalty proceedings is extended to 30th June, 2020, investments can be made on tax savers upto 30th June, 2020 for FY 2019-20, etc.
- e. Linking of Aadhar-PAN extended till 30th June, 2020.
- f. Any delay payments of advance tax, self-assessment tax, regular tax, TDS, TCS, equalization levy, STT, CTT made between 20th March 2020 and 30th June 2020, will attract interest at reduced rate of 9% p.a. instead of 12%p.a/18% p.a. for this period. No late fee/penalty shall be charged for delay relating to this period.

2. **GST Compliance:**

- a. Last date for filing GST returns for the month of March, April and May extended till 30th June, 2020.
- b. Companies with T/O less than 5 Crores will not be charged any interest, penalty, late payment fees etc. for this extended due date.
- c. Companies with T/O more than 5 Crores will have waiver to pay interest upto 15 days of delay from original due date as announced earlier. However, for any payment made beyond that period but upto 30th June 2020, interest @ 9%p.a. will be charged instead of 18% p.a. Complete waiver from penalty/late payment fees in this period.
- d. Date for opting for composition scheme is extended upto last week of June, 2020. Further, the last date for making payments for the quarter ending 31st March, 2020 and filing of return for 2019-20 by the composition dealers is extended till the last week of June, 2020.
- e. Date for filing GST annual returns of FY 18-19, which is due on 31st March, 2020 is extended till the last week of June 2020.
- f. Due date for issue of notice, notification, approval order, sanction order, filing of appeal, furnishing of return, statements, applications, reports, any other documents, time limit for any compliance under the GST laws where the time limit is expiring between 20th March 2020 to 29th June 2020 shall be extended to 30th June 2020.

3. **Custom & Excise Compliance:**

- a. Due date for Sab ka Vishwas Scheme extended to 30th June, 2020 without payment of any Interest, if payment is made upto 30th June, 2020.
- b. Customs clearance till 30th June, 2020 will operate 24x7.

4. **Company Law Compliance:**

- a. In respect of MCA 21 Registry- A moratorium is issued that from 1st April onwards till 30th Sept 2020, there will be no additional fees for late filing.
- b. Holding of Board Meeting relaxed by a period of Sixty Days upto next two quarters.

- c. CARO 2020 will now be applicable from F.Y. 2020-21 onwards.
- d. Failure to hold even a single meeting without Independent Director will not be considered as a violation under Companies Act, 2013.
- e. Failure to maintain minimum residency in India for a period of at least 182 days by at least one director of every company shall not be treated as a violation as per Section 149 of the Companies Act.
- f. Declaration for Commencement of Business required to be filed by Newly incorporated within 6 months of incorporation is now extended to further 6 months.
- g. Deposit reserve of 20% of deposits maturing during the financial year 2020-21 can now be complied with till 30th June,2020 instead of 30th April, 2020.
- h. Requirement to invest 15% of debentures maturing during the financial year in specified instruments before 30th April 2020 shall be allowed to be complied with till 30th June 2020.

5. Insolvency and Bankruptcy Code:

- a. The threshold of default under section 4 of the IBC 2016 is increased to Rs 1 crore from the existing threshold of Rs 1 lakh to prevent triggering of insolvency proceedings against MSMEs.
- b. Situation will be analysed beyond 30th of April 2020, and if required, section 7, 9 and 10 of the IBC 2016 may be considered to be suspended 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 (COVID-19 situation).

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