



POST COVID-19 CRISIS - IMPACT & SUGGESTIONS FOR BUSINESS IMPROVISATION

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Wishing a very good health to all. Currently we all are passing through a very critical time which presently requires us to stay at home and follow the Government Guidelines to prevent ourselves and avoid spread of CORONA VIRUS in the Society.

This is a worldwide pandemic and all the countries entered in to an unprecedented crisis. India is looking towards safety of citizen as the first priority followed by economic safety of the future. It is hoped that post Covid-19 crisis, INDIA will bounce back with strong business platform and become as the Best investment place for foreign investors too with a boost to the growth engine of the world.

While safe-guarding the life of citizens through Lock-down the Government has also initiated some of GST relaxations in regard to payment of tax, filing of Returns etc. with a view to recover the health of the business.

❖ **Few important GST recent amendment can be understood in line with the above.**

Notification No. 30/2020 – Central Tax dated 03.04.2020 has been issued relaxing the time limit up to 30.06.2020 for opting Composition Scheme in the year 2020-21

Notification No. 31/2020 – Central Tax dated 03.04.2020 has been issued lowering the rate of interest for delay in filing GSTR-3B Returns.

Notification No.32/2020 – Central Tax dated 03.04.2020 waives the late fee for the delay in filing GSTR-3B Returns of March &April, 2020 up to 30.06.2020.

Notification No.33/2020 – Central Tax dated 03.04.2020 waives the late fee for the delay in filing GSTR-1 Returns of March &April, 2020 up to 30.06.2020

Notification No.34/2020 – Central Tax dated 03.04.2020 relaxes Composition Dealer Quarterly Return GST-CMP-08 ending March, 2020 up to 07.07.2020 : Also GSTR-4 Return for the F/Y 2019-20 up to 30.06.2020.

Notification No.35/2020 – Central Tax dated 03.04.2020 relaxes various due date compliance to be made between 20.03.2020 and 29.06.2020 up to 30.06.2020.

Section 16(2) falls under Chapter V of CGST Act

Exception carved out in the notification does not cover chapter V - only chapter IV pertaining to time of supply is in exclusion. It looks the Government purposefully not disturbed this time of supply as it may lead to complexity in deciding supply and its taxability

Hence, as per my understanding, this extension is applicable to 16(2) compliance as well.

Accordingly 180 days coming between specified periods will extend to 30th June 2020.

Refer attached clarification dated 13.04.2020 also support our views.

While making the payment to recipient, amount equivalent to one per cent was deducted as per the provisions of section 51 of Central Goods and Services Tax Act, 2017 i. e. Tax Deducted at Source (TDS). Whether the date of deposit of such payment has also been extended vide notification N. 35/2020-Central Tax dated 03.04.2020?

As per notification No. 35/2020-Central Tax dated 03.04.2020, where the timeline for any compliance required as per sub-section (3) of section 39 and section 51 of the Central Goods and Services Tax Act, 2017 falls during the period from 20.03.2020 to 29.06.2020, the same has been extended till 30.06.2020. Accordingly, the due date for furnishing of return in **FORM GSTR-7** along with deposit of tax deducted for the said period has also been extended till 30.06.2020 and no interest under section 50 shall be leviable if tax deducted is deposited by 30.06.2020.

Further matching clause also relaxed so CMA can advise all their clients to file refund on inverted duty structure immediately using online facility so same will be received immediately to them which will help them to improve their cash flow during this tough time.

Now we CMA can utilize this time to make possible value additions by giving business improvisation /optimization suggestions through our institute to Government as well as to Business, so as to socio economic growth can be maintained with healthy life.

This can be achieved by three level actions plan.

❖ **Suggestion at Govt. level.**

Govt. can plan to bring following policies as a measure of job safety and ease of doing business and an initiative in Digital India environment:

- (a) Direct all the Businesses not to lay off or remove the employees.
- (b) Support Businesses in a possible manner as demonstrated by the Government in paying Provident Fund for the period March, 2020 to May, 2020/
- (c) Rural socio-economic zone can be developed in each district at village level/rural area level Especially for labor-oriented industries in nearby area where labours are available
- (d) Skill development center's with IT facilities providing certificate can be started at each town level as post COVID-19 requirement of skill labor will increase and job opportunities can be improved to skilled man power.
- (e) All Govt. schemes can be monitored by Robust system reports.
- (f) New education policy covering health care, yoga and online/digital model at affordable cost making cost audit and cost record mandatory in education services.

❖ **Suggestion at Institute level**

CMA Institute can plan to help nation in achieving 5 trillion-dollar economy.

CMA institute can develop format for optimization of business model for various sector like:

- Educate public to spend only for necessary livelihood and to avoid luxury needs. To this a matrix to be drawn Dos and Don'ts for the next one year.
- To conduct Seminars/Conference only through video conferencing for the next one year
- Automobile industry can think about leasing model
- Airline can convert passenger plane into Cargo Plane for 6 months.
- Textile can produce Apron for health care institutions

- Education system with online facility
- Yoga and alternative therapy facilities for mass at optimum cost with organic food
- Labor can get become skilled by having basis awareness about computer

CMA institute can publish back ground material on major sector like infrastructure, automobile, health care, education, Banking, Agriculture as well as on GST, Digital India, and import export.

❖ **Suggestion at Members level.**

- (a) All CMA members to acquire proficiency in cost effectiveness model for business to improve their efficiency and profit.
- (b) New innovative, business to business(B2B) platform can be developed for multipurpose solutions like procurement and logistic optimization.
- (c) Robust Audit tool for GST audit to make client 100% complied
- (d) Standard operating procedures (SOP) to be developed for all major activities like GST Audit, Internal Audit etc.

Now we CMA have a challenge to prove ourselves as doctor for economy booster in present crisis. We can contribute as Digital CMA in improving ease of doing business with optimization of men, machine, money and health following social distancing till the time the pandemic is completely eradicated.

Hope under inspiring leadership of president our institute will create situational leaders at all over India in practice as well as in industry to feel our profession presence to all stakeholder including rural area. Jai CMA

CORONA HAREGA INDIA JEETEGA.

STAY SAFE, STAY HEALTHY.