

MAY, 2020

TAX Bulletin

★ ★ VOLUME - 64 ★ ★



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)

www.icmai.in

Headquarters: CMA Bhawan, 12 Sudder Street, Kolkata - 700016

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MISSION STATEMENT

“The CMA Professionals would ethically drive enterprises globally by creating value to stakeholders in the socio-economic context through competencies drawn from the integration of strategy, management and accounting.”

VISION STATEMENT

“The Institute of Cost Accountants of India would be the preferred source of resources and professionals for the financial leadership of enterprises globally.”

Objectives of Taxation Committees:

1. Preparation of Suggestions and Analysis of various Tax matters for best Management Practices and for the professional development of the members of the Institute in the field of Taxation.
2. Conducting webinars, seminars and conferences etc. on various taxation related matters as per relevance to the profession and use by various stakeholders.
3. Submit representations to the Ministry from time to time for the betterment and financial inclusion of the Economy.
4. Evaluating opportunities for CMAs to make way for further development and sustenance of the opportunities.
5. Conducting and monitoring of Certificate Courses on Direct and Indirect Tax for members, practitioners and stake holders and also Crash Courses on GST for Colleges and Universities.

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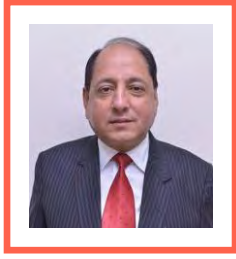
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CMA Rakesh Bhalla
Chairman, Direct Taxation Committee



CMA Niranjan Mishra
Chairman, Indirect Taxation Committee

FROM THE DESK OF CHAIRMAN

Dear Friends and Professional Colleagues,

Our Hon'ble Prime Minister, Shri Narendra Modiji, addressed the nation on 12th of May, 2020, 5 days before the third phase of nationwide lockdown was stated to end. He stated, "Scientists say that the novel coronavirus will be a part of our lives for a very long time. But we can't let our lives remain confined around it. We will wear masks and maintain social distancing but we will not let it (the virus) affect us." He also urged and emphasized on achieving self-reliance for the country at a time when the pandemic has brought the economy to a standstill.

Hon'ble PM, Shri Narendra Modiji announced a Rs 20-lakh-crore stimulus package, equivalent to about 10% of India's GDP, aimed at making the country self-reliant and reviving the stalled economy. Self-reliance will prepare India for tough competition in the global supply chain. He said a self-reliant India will stand on five pillars —

- 1) Economy: An economy that takes quantum jumps and not incremental gains.
- 2) Infrastructure: Infrastructure is synonymous with a modern India.
- 3) Our system: A system that helps us realise dreams, which is based on tech-driven facilities.
- 4) Demography: Vibrant demography our strength.
- 5) Demand: The demand and supply chain, we need to utilise the potential. We need to increase demand in the nation. Each stakeholder must be active.

In lines with the thought of our PM to be *atmanirbhar*, we continue to work and serve the nation with the same passion and dedication as always. We are happy to note that the department for the last fortnight has made so many positive contributions. The 63rd Tax Bulletin has been released. All the Taxation courses, like Certificate Course on GST, Advanced Certificate Course on GST, and Certificate Course on TDS and Certificate Course on Filing of Returns are being carried on seamlessly.

Publications have always been a core area of deliverable for the department and it was no exception this time also. The revised and updated edition of the '**Handbook on E-Way Bill**' has been released. The publication on '**Taxation on Works Contract**' which includes both Direct Taxation and Indirect Taxation areas is up and ready for release at the earliest. Taxation portal is being updated with latest amendments of Direct and Indirect Tax.

The several webinars have been conducted like Webinar on -

- (a) Accounting of Expenditure under Ind AS and allowability under Income Tax Act in Computation of Profits and Gains from Business Income by CMA Niranjan Swain.
- (b) GST - Amendments in Finance Act 2020 by CMA B.M. Gupta.
- (c) Due Dates and Practical Difficulties of GST during Lockdown Period by CMA Vishwanath Bhat.
- (d) Documentations and Pleading for Transfer Pricing Assessment / Audit by CMA Mrityunjay Acharjee.
- (e) Proviso to section 92D - Master file in DT by CMA Harish Joshi.
- (f) Anti-Profiteering in GST by CMA B M Gupta.
- (g) Latest Notification & Circular in GST by CMA Vishwanath Bhat.

We value the efforts of Team – Tax Research and are thankful to our valuable Resource Persons for their knowledge contributions during this crisis period which helped us to serve our stakeholders.

Jai Hind

(Rakesh Bhalla)

CMA Rakesh Bhalla
18th May 2020

CMA Niranjan Mishra
18th May 2020

TAXATION COMMITTEES 2019 - 2020

Indirect Taxation Committee

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CMA Niranjan Mishra

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3. CMA V. Murali
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CMA Rakesh Bhalla

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ACKNOWLEDGEMENTS

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Articles on the Topics of Direct and Indirect Taxation are invited from readers and authors. Along with the article please share a recent passport-sized photograph, a brief profile and the contact details. The articles should be the author's own original.

Please send the articles to

trd@icmai.in / trd.ad1@icmai.in



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

CMA Rajendra Rathi
General Manager, Indirect Taxation, Reliance Industries Limited

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 subsection (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.

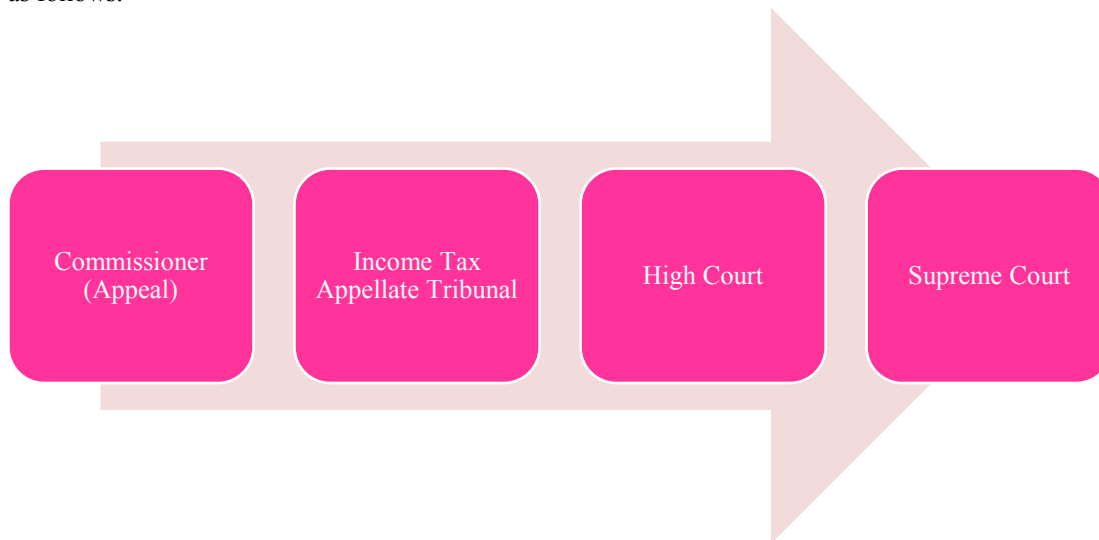


APPEAL AND REVISION IN INCOME TAX ACT - ROLE OF CMA

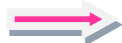
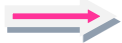



CMA Rakesh Kumar Sinha
Practicing Cost Accountant

In general, any cases being filed and heard first in Civil Court, thereafter aggrieved parties may file a case in High Court and for further relief or justice, aggrieved party finally file case in Supreme Court. But the cases of Revenue are not file to Civil Court. The route of revenue cases is different.

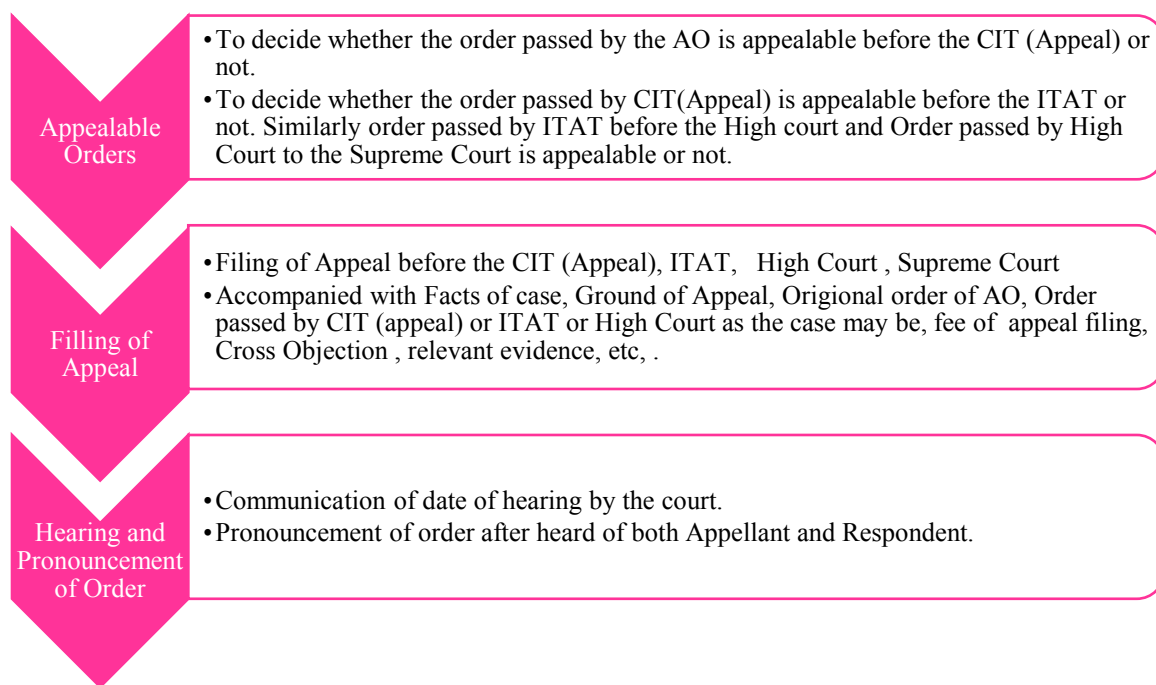
Any Assessee or any Deductor or any Collector of tax at source, who is aggrieved from the order passed by the Assessing officer, shall first file an appeal to the Commissioner (appeal). Then case shall be moved and an appeal shall be filed to Appellate tribunal, by the assessee or Deductor or Collector of tax at source or Principal Commissioner or Commissioner of Income tax as the case may be, if they are aggrieved with the order passed by the Commissioner (Appeal). Thereafter case shall be moved to High Court, if assessee or Deductor or Collector of tax at source or commissioner is aggrieved to the order passed by the Appellate tribunal and at last to Supreme Court, if Assessee or Deductor or Collector of tax at source or Principal commissioner is aggrieved to the order passed by the High court . Thus route of income tax revenue cases is as follows.



Sections covered Appeal and Revision

- Section 246 – 251  Appeal before the Commissioner (Appeal)
- Section 252- 256 -  Appeal to the Appellate Tribunal
- Section 260A – 260B -  Appeal to High Court
- Section 261- 262-  Appeal to Supreme Court
- Section 263- 264 -  Revision of Orders

Steps Involved. Generally following three steps are involved in compliance of the provisions of Appeal and Revision under the Income Tax Act, 1961.



Appealable Orders to file appeal before the Commissioner (Appeal) u/s 246A

Section 115VP(3)(ii)	Refusing to approve the option for tonnage tax scheme filed by a Qualifying Indian Company having business of operating of ships to the Joint Commissioner.
Section 143(1),(1B),(3)	Regular Assessment order passed or /intimation by the AO in response to return filled u/s 139 or Order after scrutiny of return filed passed u/s 142(1) or by CPU(Central Processing Unit)
Section 200A(1)	Processing of statement of Tax deducted at source
Section 206CB(1)	Processing of statement of Tax collected at source
Section 144	Best judgment assessment order
Section 144BA(12)	Reference to Principal commissioner in certain cases at any stage of assessment proceeding by the AO, if he belief and satisfy that arrangement/agreement revoke meaning of Generally Anti Avoidance Rule under chapter XA, for assessment
Section 115WE(3)	Assessment order passed by the AO against return of fringe benefit tax
Section 115WF	Best judgment of fringe benefit
Section 115WG	Fringe benefits escaping assessment
Section 147	Income escaping assessment i.e reassessment, re computation
Section 150	Re assessment or re computation in consequence to order passed by way of appeal, court
Section 153A	Assessment in case of search or requisition
Section 92CD(3)	Order passed to advance pricing agreement.
Section 154	Rectification Order
Section 155	Other amendments
Section 163	Treating the assessee as the agent of non-resident
Section 170(2),(3)	Succession to business otherwise than on death.
Section 171	Assessment order after participation of HUF
Section 201	Consequences of failure to deduct tax or pay the deducted tax at source
Section 206C (6A)	Consequences of failure to collect tax or pay the collected tax at source

Section 237	Refund claimed not paid or short paid
Section 221, 271,271A,272,275 ,158BFA, 271B, 271BB, 271C, 271CA, 271D,271E,272A, 272AA	An order imposing a penalty

Form of Appeal and Procedure

- Appeal shall be filed in **Form No. 35** and shall be filled electronically.
- Appeal shall be filed **within 30 days** of the service of notice or in case of order u/s 248, the date of payment of tax. CIT (Appeal) may condone the delay in filing appeal; if he satisfies that there is a sufficient cause to do not file appeal by the appellant within stipulated time. If there is a delay in filing appeal, appellant must mention valid reason for delay and pray to condone the delay in filing appeal whiling uploading Form No. 35.
- Fee shall be **Rs. 250/-** if amount of total income computed by AO is **Rs. 1 lakhs. Rs. 500/-**, if computed income is **Rs. 1 lakh to Rs. 2 lakh, Rs. 1000/-**, if computed income is more than **Rs. 2 lakh**. If computed income is less than **Rs. 1 lakh or nil**, fee shall be **Rs. 250/-** . Details about appeal fee has to be mention in Form No.35, like BSR code, Challan serial number, Date of payment, amount paid.
- Facts of case and Grounds of appeal must be precise and with relevant section of Income tax Act has to be mention in Form No.35. An application to pray for stay of demand till disposal of case should be accompanied with the form. Pre-deposit, 20% of demand has to pay on or after the appeal is filed.
- CIT (Appeal) shall fix date and place of hearing and give notice to both, appellant and AO.
- CMA has to furnish Power of attorney to plead the case on behalf of assessee before the CIT (appeal) and affix a court fee stamp value of at least Rs. 5 or of value as per relevant State Stamp Law.
- After heard of both parties, order shall be passed by the commissioner (Appeal).

Appeal to Appellate Tribunal, Sec.253

- Aggrieved party may file an appeal against the order passed by CIT (Appeal).
- Appeal shall be filed to ITAT in **Form No. 36** within **60 days** of service of order from the office of Commissioner (Appeal). Form No. 36 shall be filed manually either in person or through speed/registered post or courier.
- Fee shall be **Rs. 500/-**, if demand is up to **Rs. 1 lakh. Or Rs. 1000/-**, if demand is from **Rs. 1 lakh to Rs. 2 lakh**, or **1% of demand subject to maximum amount Rs. 10,000/-** if demand is more than **Rs. 2 lakh**. Copy of challan must be accompanied with the Form 36.
- An application for stay demand till the disposal of case by the Income Tax Appellate Tribunal shall be accompanied by a fee of **Rs. 500/-**
- Form 36, shall be filed in triplicate, accompanied with 2 copies at least one should be certified to be true, copy of appeal order, 2 copies of relevant Assessing Officer order, 2 copies of grounds of appeal or grounds of objection. One copy shall be given back to the appellant as a token of acknowledgment.
- Memorandum of cross-objection shall be filed, by respondent in Form No. 36A, in triplicate, within 30 days from the date service of notice by ITAT. No fee is required to be paid. Cross objection has to file by the respondent.
- Bench of Appellate tribunal shall fix the date of hearing. There shall be one judicial member and one account member seated in the appellant tribunal bench. The bench shall be OC (One member court) or DC (Double member Court). Sometime bench shall hear the case through Video conferencing i.e, e-court. After heard to both i.e. appellant and respondent, may pronounce and pass the order within 4 years from the date of filling the appeal to ITAT.
- The ITAT have all the powers which are vested in income tax authority u/s 131, and any proceedings before the ITAT shall be deemed judicial proceeding within the meaning of sec. 193 and 228 of Indian Panel Code and appellate tribunal shall be deemed to be a **Civil court** for all the purposes of sec. 195 of the code of Criminal Procedure.

Statement of case to the High Court, Sec. 256

- The Assessee or Principal commissioner or commissioner, may within **60 days** of the date of order served by ITAT, file an application in Form No. 37 to the ITAT and require the ITAT to refer to the

High court any question of law arising out of such order. The assessee shall pay a fee of Rs.200 and accompanied with the application. No fee has to pay in case application is filed by the Principal Commissioner or Commissioner as the case may be.

- ITAT shall within 120 days draw up a statement of the case and refer to the High court.
- If ITAT refuse the application on the ground that there is no question of law arise in such order, then assessee or commissioner as the case may be, shall within **Six months** apply to the High court against the refusal of ITAT.
- A bench of two judges of High court shall hear the case and shall direct the appellate tribunal to make a statement of substantial question of law, if they found that there is a question of law arises in such order passed by the appellate tribunal.

Statement of case to the Supreme Court, Sec. 257

- If, on an application u/s 256, the Appellate tribunal is of the opinion that, on account of a conflict in the decisions of High courts in respect of any particular question of law, it is expedient that a reference should be made direct to Supreme court.

Appeal to High Court, Sec. 260A

- An appeal shall lie to the High court from every order passed in appeal by the Appellate tribunal, if High court is satisfied that the case involves a substantial question of Law.
- The word ‘substantial question of Law’ has not been defined. But the expression has acquired connotation through a catena of judicial pronouncements. Usually five tests are used to determine whether a substantial question of Law involved.
 - (i) Whether, directly or indirectly it effects substantial rights of the parties
 - (ii) The question is of general public importance
 - (iii) Whether it is an open question in the sense that issue has not been settled by pronouncement of the supreme court or the Privy Council or by the Federal court
 - (iv) The issue is not free from the difficulty, and
 - (v) It calls for a discussion for alternate view.
- CIT or assessee aggrieved by any order of ITAT may file appeal to High Court within **120 days** from the date of order received, along with a memorandum of appeal precisely stating therein the substantial question of law involved.
- When High court is satisfied that a substantial question of law is involved shall admit the case and it shall formulate the question.
- The appeal shall be heard only on the question so formulated.
- It shall be heard by a bench of **two judges**.

Appeal to Supreme Court, Sec.261

- An appeal shall lie to the Supreme Court from any judgment of the High court delivered in any case which High court certifies to be fit one for appeal to the Supreme Court.
- Provisions of the Code of Civil Procedure, 1908 relating to appeals u/s section 261 shall apply.

Revision of orders prejudicial to revenue, Sec. 263

- The Principal commissioner or commissioner may call for and examine the record of any proceeding under this Act, and if he considers that any order passed therein by the AO is erroneous and is prejudicial to the interest of the revenue, he may direct for fresh assessment.
- Revision order shall be passed within a period of two years form the end of F.Y. in which the order passed.
- Order of revision in consequence of direction by ITAT, High court or Supreme Court, shall be passed at any time.

Revision of other orders, Sec. 264

- In any other order other than order to which sec.263 applies, commissioners may, either suo motu or on an application filed by the assessee for revision, call the record of any proceeding and revise the order.

- No order shall be passed suo motu by the commissioner more than one previous year.
- Assessee shall file application within a period of one year from the date on which he has served the order.
- Commissioner shall not pass revision order if case is pending for disposal before the court of any commissioner (Appeal), ITAT, High Court or Supreme Court.
- Every application shall be accompanied with a fee of **Rs. 500/-**
- Order under this section shall be passed within one year from the end of f.y. in which application made.

Role of CMA. Whether CMA can plead before the Income Tax Authority on Behalf of Assessee?

- Yes, CMA in practice can appear before the AO, Commissioner (Appeal), Income Tax Appellate Tribunal on behalf of assessee and plead the case.
- Section 288(2)(V) , read with Rule 50C (3) empower the CMA to appear before the AO, Commissioner (appeal), Principal Commissioner or Commissioner and Income Tax Appellate Tribunal.
- The income tax Appellate Tribunal, like any judicial body, has a number of procedural requirements that are required to comply by the authorized representative.
- **Some important procedure as per Income Tax Appellate Tribunal Rules, 1963 are...**
- Every memorandum of appeal to be written in English and shall forth, concisely and under distinct heads, grounds of appeal without any argument or narrative, and such grounds shall be numbered consecutively.
- Submission of paper books at least one day before the date of hearing. At least four sets should be prepared (two sets for members of the appellant tribunal bench, one copy for departmental representative who pleads the case on behalf of Income Tax Department and one office copy of authorized representative). Paper book may accompany all relevant evidence, citation of case laws of Tribunal or High Court or Supreme Court in support of grounds of appeal, other relevant documents and information. An index should be made and all attachments in paper book must be numbered consecutively.
- An application for condone for delay in filing of appeal along with affidavit for reason of delay thereof have to file if delay in filing appeal occurred.
- **Dress code (Rule 17)**. A provision for dress code is made in Appellate Tribunal Rule for authorized representative and it is mandatory. ITAT court shall not allow the AR to plead, if AR doesn't appear with the required dress code. Dress code for **male CMA** is, a suit with a tie or button-up coat over a pant. The color of coat must, preferably Black or dark blue. In case of **female CMA**, black coat over white or any other sober color saree or Salwar Suit.
- Furnished power of attorney in a non-judicial stamp paper value specified in relevant state stamp Law. In Jharkhand it requires on Rs. 100 value.

Practical Tips for CMA who suppose to appear before the Appellant Tribunal.

Scene in Income Tax Appellate Tribunal is totally different from the AO room or CIT (Appeal) court room. In the court room of AO or CIT (appeal) hearing is made one to one. But in appellant tribunal court room, you will not be alone. There may be numbers of pleader of listed case on a particular date i.e. an Advocate, CMA, Chartered Accountant, Departmental representative, staffs of appellate court and others along with members of bench. Your performance shall be seen and heard by all others. So, you as authorized representative have to require must be up date to the provision of Income tax Act, be fully aware about the case and remember the facts of case, grounds of appeal, and all the attachments in the paper book. Most important very carefully listen the members of bench and departmental representative. Your argument must be to the point. You have to speak about the case and your points in support of your appeal. To win the case hard work and presence of mind in court room is required.

CMA members in practice should visit regularly if possible, appellate tribunal court room when bench are seated for hearing the case even if his case is not listed nor have any case. Exposure of appellate tribunal court is one of the basic conditions to be success in appellate tribunal court proceedings.



INSERTING SECTION 115BAC, THE NEW TAX RATE MAY BECOME THE HARD WEAPON IN THE HANDS OF THE DEPARTMENT

Shri Tapas Mazumdar
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The Proposal for the payment of “Alternative Tax” under the Alternative Tax Regime by virtue of newly inserted section 115BAC w.e.f. the Assessment Year 2021-22 has become little hardship to the Tax payers restricted to the Individual and HUF enlighten the six tax slabs listed hereunder in comparison to the existing three tiers Tax slabs.

Income Criteria	Existing Slab	New Slab
Income upto 5 lacs	NIL	NIL
Income Rs.5,00,001/- to Rs.7,50,000/-	20%	10%
Income Rs.7,50,001/- to Rs.10,00,000/-	20%	15%
Income Rs.10,00,001/- to Rs.12,50,000/-	30%	20%
Income Rs.12,50,001/- to Rs.15,00,000/-	30%	25%
Income over Rs.15,00,00/-	30%	30%

The Individual and HUF having income derived from business shall exercise such option which will become beneficial to the long run but once exercised will prevail in the subsequent Assessment Year. Such limited option may be withdrawn by the assessee only once where it was exercised by the Individual or HUF having business income for the previous year other than the previous year in which it is exercised and thereafter such Individual and HUF can never be eligible to exercise such option save and except such assessee’s income has been ceased from business but relaxation has been exercised to such individual and HUF who has no income from business and right to opt for every previous year and may change for the subsequent Assessment years as the assessee deem fit for the time being in force reserving the absolute right and liberty to opt out after end of the said Financial Year.

Such Individual and HUF opting for concessional rate not eligible for various exemptions and/or deductions as part of conditions for concessional rate:

According to the condition embedded under section 115BAC, the individual or HUF opting for taxation under the newly inserted section 115BAC of the Act shall not be entitled to the following exemptions/ deductions:

Leave travel concession as contained U/s 10(5);

House Rent Allowance as contained U/s 10(13A);

Specified Allowances U/s 10(14);

As regards Specified Allowances it has to remove exemption under Rule 3 in respect of free food and beverage through vouchers provided to the employee, being the person exercising option under the proposed section, by the employer but the following allowances will be allowed U/s 10(14) of the Act

- Transport Allowance granted to a divyang employee to meet expenditure for the purpose of travelling from the place of residence to the place of duty;
- Conveyance Allowance granted to meet the expenditure on conveyance in performance of duties of an office;
- Any Allowance granted to meet the cost of travel on tour or on transfer;

- d. Daily Allowance to meet the ordinary daily charges incurred by an employee on account of absence from his normal place of duty.

Allowances to MPs/MLAs U/s 10(17);

Allowance due to clubbing of Income U/s 10(32);

Exemption for SEZ unit U/s 10AA;

For the case of Salaried persons Standard deduction, Deduction on account of entertainment allowance and Profession tax as contained U/s 16;

Interest on house building loan U/s 24 in respect of self-occupied or vacant property referred to section 23(2) being Loss under the head income from house property for rented house will not be allowed to be set off under any other head and would be allowed to be carried forward as per existing law;

Additional depreciation under clause (iia) of section 32(1);

Deductions for Investment in new plant or machinery in notified backward areas as eligible U/s 32AD under the existing law; Deduction for amount deposited in Tea/ Coffee/ Rubber deployment account under section 33AB; Deduction for amount deposited in Site Restoration Fund under section 33ABA;

Various deductions for donation for or expenditure on Scientific Research contained in section 35(1)(ii) or (iia) or(iii) or section 35(2AA);

Deduction in respect of expenditure on specified business under section 35AD or Deduction in respect of agricultural extension project under section 35CCC;

Deduction from family pension under clause (iia) of section 57;

Any deduction under chapter VIA (like section 80C, 80CCC, 80CCD, 80D, 80DD, 80DDB, 80E, 80EE, 80EEA, 80EEB, 80G, 80GG, 80GGA, 80GGC, 80IA, 80-IAB, 80-IAC, 80-IB, 80-IBA, etc). However, deduction under sub-section (2) of section 80CCD (employer contribution on account of employee in notified pension scheme) and section 80JJAA (for new employment) can be claimed.

Set off of Loss or depreciation not permitted:

- a) The income of such taxpayer is to be computed without set off of any loss carried forward or depreciation from any earlier assessment year if such loss or depreciation is attributable to any of the deductions referred to in para above. Likewise the income of such taxpayer is to be computed in case of loss under the head house property without any set off of such loss with any other head of income.
- b) The loss or depreciation shall be deemed to have been given full effect and no further deduction for such loss or depreciation shall be allowed for any subsequent year. However where there is a depreciation allowance in respect of a block of asset which has not been given full effect to prior to the assessment year beginning on 1st April, 2021, corresponding adjustment shall be made to the written down value of such block of assets as on 1st April, 2020 in the prescribed manner, if the option is exercised for a previous year relevant to the assessment year beginning on 1st April, 2021;

Unit in the International Financial Services Centre:

If the individual or HUF has a Unit in the International Financial Services Centre [section 2(zc) of the Special Economic Zones Act, 2005], as referred to in section 80LA(1A), the deduction under section 80LA shall be available to such Unit subject to the fulfilment of the conditions contained in that section.

Alternate Minimum Tax (AMT) shall not apply:

It has been proposed to amend section 115JC so as to provide that the provisions relating to Alternate Minimum Tax (AMT) shall not apply to such individual or HUF having business income.

Carry forward and set off of AMT credit not permitted:

It has also been proposed to amend section 115JD so as to provide that the provisions relating to carry forward and set off of AMT credit, if any, shall not apply to such individual or HUF having business income.

However to avail the reverse weapon for that particular year it is settled that the Individual or HUF if invest under the following manner then the tax become similar as per new rate chart And if such investment exceeds such parameter as per tabulated form hereunder such Individual/HUF may enjoy tax as usual.

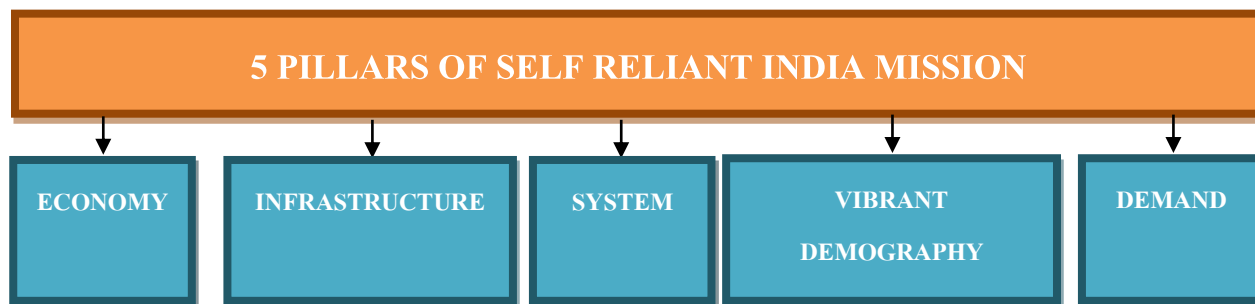
Income Criteria	Existing Slab Exemption/Deductions	New Slab
Income upto 5 lacs	NIL	NIL
Income Rs.5,00,001/- to Rs.7,50,000/-	20% (Income less Rs.5,00,000) /2	10%
Income Rs.7,50,001/- to Rs.10,00,000/-	20% (Income less Rs.7,50,000) /4 Plus Rs.1,25,000/-	15%
Income Rs.10,00,001/- to Rs.11,87,500/-	30% Same as above i.e. Rs.1,87,500/-	15%
Income Rs.11,87,501/- to Rs.12,50,000/-	30% (Income less Rs.11,87,500)/3 Plus Rs.1,87,500/-	20%
Income Rs.12,50,001/- to Rs.15,00,000/-	30% (Income less Rs.12,50,000) x.05/0.3 Plus Rs.2,08,333/-	25%
Income over Rs.15,00,00/-	30%	30%

Hence the Tax payer has to determine with absolute consideration based on their past investment and capacity to invest in future whether opt for the new regime or not.

ATMANIRBHAR BHARAT

Team TRD

On 12th May 2020 Prime Minister has announced the ‘Atmanirbhar Bharat Abhiyan (or Self-reliant India Mission)’ with an economic stimulus package — worth Rs 20 lakh crores equivalent to 10 % of India’s GDP aimed towards cutting down import dependence and importance of promoting “local” products.



Source - <https://pib.gov.in/PressReleasePage.aspx?PRID=1623391>

13th May 2020

Finance Minister announced measures for relief and credit support related to businesses, especially MSMEs to support Indian Economy’s fight against COVID-19

For MSME

- Structure of MSME has been revised

Existing MSME Classification			
Criteria : Investment in Plant & Machinery or Equipment			
Classification	Micro	Small	Medium
Mfg. Enterprises	Investment < Rs. 25 lac	Investment < Rs. 5 cr.	Investment < Rs. 10 cr.
Services Enterprise	Investment < Rs. 10 lac	Investment < Rs. 2 cr.	Investment < Rs. 5 cr.
Revised MSME Classification			
Composite Criteria : Investment And Annual Turnover			
Classification	Micro	Small	Medium
Manufacturing & Services	Investment < Rs. 1 cr. and Turnover < Rs.5 cr.	Investment < Rs. 10 cr. and Turnover < Rs.50 cr.	Investment < Rs. 20 cr. and Turnover < Rs.100 cr.

- Rs 3 lakh crore Emergency Working Capital Facility for Businesses, including MSMEs
 - ✓ Whose outstanding is Rs 25 crore , turnover of up to Rs 100 crore and whose accounts are standard.
 - ✓ To avail this facility the units will not have to provide any guarantee or collateral of their own.
 - ✓ Tenure of Loan – 4years with moratorium of 12 months
 - ✓ Scheme can be availed – up to 31st October 2020
- Rs 20,000 crore Subordinate Debt for 2 lakh Stressed MSMEs
- Rs 50,000 crores equity infusion through MSME Fund of Funds. Govt will set up a Fund of Funds with a corpus of Rs 10,000 crore that will provide equity funding support for MSMEs with growth potential and viability. This will encourage MSME to get listed on main board of stock exchange
- Global tenders will be disallowed in Govt. procurement tenders upto Rs. 200 crores to prevent unfair competition from foreign companies faced by MSMEs and other companies
- E-market linkage for MSMEs will be promoted to act as a replacement for trade fairs and exhibitions.
- MSME receivables from Government and CPSEs will be released in 45 days

- Fintech will be used to be used to enhance transaction based lending using the data generated by the E-marketplace.

For Tax and Statutory Compliance Related Measures

Reduction in Rates of ‘Tax Deduction at Source’ and ‘Tax Collected at Source’ –

The TDS rates for all non-salaried payment to residents, and tax collected at source rate will be reduced by 25 % of the specified rates for the remaining period of FY 20-21.

For revised Rate of TDS and TCS, please follow –

<https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1623745>

I.T Return due date extension-

- ✓ The due date of all Income Tax Returns for Assessment Year 2020-21 will be extended to 30th November 2020.
- ✓ Tax audit for Assessment Year 2020-21 due date will be extended to 31 October 2020.

Relief for GST and Customs -

- ✓ Extending filing GST returns to end of June 2020
- ✓ 24*7 custom clearance till 30th June, 2020

Due date of Vivad se Viswas extension-

The date for making payment without additional amount under the “Vivad Se Vishwas” scheme will be extended to 31 December, 2020

Due date of Assessment extension-

Date of assessments getting barred on 30th September, 2020 extended to 31st December, 2020 and those getting barred on 31st March, 2021 will be extended to 30th September, 2021.

Fastest refund

- All pending refunds to charitable trusts and non-corporate businesses & professions including proprietorship, partnership, LLP and Co-operatives shall be issued immediately.
- All **pending income-tax refunds up to Rs.5 lakh**, will be immediately refunded to benefited around 14 lakh taxpayers

Statutory Compliance

- ✓ Mandatory Board meetings extended by 60 days till 30th September
- ✓ Allowing Extraordinary General Meetings through Video Conference with e-voting/simplified voting facility

For EPF Related Measures

- Under Pradhan Mantri Garib Kalyan Package (PMGKP), payment of 12% of employer and 12% employee contributions has made into EPF accounts of eligible establishments for another 3 months for salary months of June, July and August 2020
- EPF Contribution to be reduced for Employers and Employees for 3 months to 10% from 12% for all establishments covered by EPFO for next 3 months
 - ✓ However CPSEs and State PSUs will continue to contribute 12% as employer contribution.
 - ✓ This scheme will be applicable for workers who are not eligible for 24% EPF support under PM Garib Kalyan Package and its extension.
- **24% of monthly wages to be credited** into their PF accounts for next three months for wage-earners below Rs 15,000 p.m. in businesses having less than 100 workers
- 5 crore workers registered under **Employee Provident Fund EPF to get non-refundable advance of 75%** of the amount or three months of the wages, whichever is lower, from their accounts

Support to Financial Sector

- Rs. 30,000 crore Special Liquidity Scheme for Non-Banking finance companies/Housing Finance Companies/Micro Finance Institutions to help those facing difficulties to raise money in debt markets.
 - ✓ Securities will be fully guaranteed by Govt. of India
 - ✓ Under this scheme investment will be made in both primary and secondary market transactions
- Rs. 45,000 crore Partial Credit Guarantee Scheme 2.0 for NBFC
 - ✓ Existing PCGS scheme to be extended to **cover borrowings** such as primary issuance of Bonds/ CPs (liability side of balance sheets) of such entities
 - ✓ AA paper and below including unrated paper eligible for investment (esp. relevant for many MFIs)
 - ✓ First 20% of loss will be borne by the Guarantor i.e., Government of India

Relief to Power Distribution Company

- Electricity demand load shifted to homes during the lockdown, resulting in lower realizations. With peak electricity demand coming down, commercial and industrial power demand has taken a hit after many factories shut.
 - ✓ The government on Wednesday announced a ₹90,000 crore liquidity injection into fund-starved electricity distribution companies (discoms)
 - ✓ The state-owned Power Finance Corp. (PFC) and Rural Electrification Corp. (REC) will infuse the liquidity by raising Rs.90,000 crore from the markets against the receivables of discoms.
 - ✓ These funds will be then given to discoms against state government guarantees for the sole purpose of discharging their liabilities.
 - ✓ Central Public Sector Generation Companies shall give **rebate to Discoms** which shall be passed on to the final consumers (industries)

Relief to Contractors

- The extension of up to six months without cost to contractor is to be provided by all central agencies like Railways, Ministry of Road Transport & Highways and Central Public Works Department
 - ✓ It would cover construction works and goods and services contracts besides obligations like completion of work, immediate milestones etc and extension of concession period in contracts on public private partnership.
 - ✓ To ease cash flows, government agencies will partially release bank guarantees, to the extent contracts are partially completed

Relief to Real Estate Company

- Ministry of Housing and Urban Affairs will advise States/UTs and their Regulatory Authorities to the following effect to de-stress real estate developers and ensure completion of projects to enable homebuyers to get delivery of their booked houses with new timelines.
 - ✓ Extend the **registration and completion date** suo-moto by 6 months for all registered projects expiring on or after 25th March, 2020 without individual applications.
 - ✓ Regulatory Authorities may extend this for another period of upto 3 months, if needed
 - ✓ Issue **fresh 'Project Registration Certificates'** automatically with revised timelines
 - ✓ Extend timelines for various statutory compliances under RERA concurrently.

Pradhan Mantri Garib Kalyan Package

Rs. 1.70 Lakh Crore relief package under Pradhan Mantri Garib Kalyan Yojana for the poor to help them fight the battle against Corona Virus:

- ✓ **Insurance cover** of Rs 50 Lakh per health worker
- ✓ 80 crore poor people will be given benefit of **5 kg wheat or rice** per person for next 3 months
- ✓ **1 kg pulses for each household** for free every month for the next 3 months
- ✓ 20 crore **women Jan Dhan account holders** will get Rs 500 per month for next 3 months
- ✓ **Gas cylinders** will be provided **at free of cost** to 8 crore poor families for the next 3 months
- ✓ **Increase in MNREGA wage** to Rs 202/day from Rs 182/day to facilitate 13.62 crore families
- ✓ Ex-gratia of Rs 1,000 to 3 crore **poor senior citizen, poor widows and poor Divyang**
- ✓ Front-loaded **Rs 2,000 will be paid to farmers** under existing PM-KISAN to facilitate 8.7 crore farmers
- ✓ **Building and Construction Workers Welfare Fund** allowed to be used to provide **relief to workers**
- ✓ Limit of collateral free lending to be increased from Rs 10 to Rs 20 lakhs for **Women Self Help Groups** to support 6.85 crore households.
- ✓ **District Mineral Fund (DMF)** to be used for supplementing and augmenting facilities of medical testing, screening etc..

Measures by RBI

- Reduction of Cash Reserve Ratio (CRR) has resulted in liquidity enhancement of Rs1,37,000 crores
- Targeted Long Term Repo Operations (TLTROs) of Rs.1,00,050 crore for fresh deployment in investment grade corporate bonds, commercial paper, and non-convertible debentures.
- TLTRO of Rs.50,000 crore for investing them in investment grade bonds, commercial paper, and non-convertible debentures of NBFCs, and MFIs.
- Increased the banks' limit for borrowing overnight under the marginal standing facility (MSF), allowing the banking system to avail an additional Rs.1,37,000 crore of liquidity at the reduced MSF rate.
- Announced **special refinance facilities to NABARD, SIDBI and the NHB** for a total amount of **Rs.50,000 crore** at the policy repo rate
- Announced the opening of a **special liquidity facility (SLF) of Rs. 50,000 crore** for mutual funds to alleviate intensified liquidity pressures.

- **Moratorium of three months on payment of instalments and** payment of **Interest on Working Capital Facilities** in respect of **all Term Loans**
- **Easing of Working Capital Financing** by reducing margins
- For loans by NBFCs to commercial real estate sector, **additional time of one year** has been given for extension of the date for **commencement for commercial operations (DCCO)**

Other Measures

- On the request of the Government of India, RBI **raised the Ways and Means advance limits** of States by 60% and **enhanced the Overdraft duration limits**.
- Issued all the **pending income-tax refunds up to Rs.5 lakh**, immediately benefiting around 14 lakh taxpayers
- Implemented **“Special Refund and Drawback Disposal Drive”** for all pending refund and drawback claims
- Both the above measures amount to **Rs.18,000 crore** of refund.
- Sanctioned **Rs 15,000 crores for Emergency Health Response Package**
- Relaxation for 3 months for debit cardholders to withdraw cash free from any ATMs, etc
- Allowing payment before 15 May, 2020 for Motor Vehicle and Health Insurance Policies

For more details, please follow - <https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1623601>

14th May 2020

FM has put the pedal to the metal unveiling significant measures for migrant workers, street vendors, and small farmers.

Support to Rural Economy

- 3 crore farmers will be provided agricultural loans of Rs. 4.22 lakhs crore with 3 months loan moratorium.
- Interest Subvention and Prompt Repayment Incentive on crop loans, due from 1st March, has been extended up to 31st May, 2020
- 25 lakh new Kisan Credit Cards will be sanctioned with a loan limit of Rs. 25,000 cr.
- 63 lakh loans of Rs. 86,600 crore has been approved in Agriculture between 1.3.2020 to 30.04.2020.
- Refinancing of Rs.29,500 crore provided by NABARD, to Cooperative Banks & Regional Rural Banks in March,2020.
- Support of Rs. 4,200 crore has been provided under Rural Infrastructure Development Fund to States during March, 2020 for rural infrastructure
- Working capital limit of Rs. 6,700 crore has been sanctioned for procurement of agriculture produce to State Government entities since March, 2020

Support to Migrants and Urban Poor

- Government of India has permitted State Governments to utilise State Disaster Response Fund (SDRF) for setting up shelter for migrants and providing them food and water etc.
- Central Government also released Rs 11002 crore of its contribution in advance to all States on 3rd April, to augment funds in their SDRF.
- Hygienically prepared three meals a day provided for the residents of Shelters for Urban Homeless (SUH) during the lockdown w.e.f March 28, 2020.
- 12,000 SHGs have produced 3 crore masks and 1.20 lakh litres of sanitizers. This gave additional employment opportunity to the urban poor.
- Disbursal of Revolving Fund (RF) to Self Help Groups was on-boarded on PAiSA Portal in April 2020 on a pilot basis in Gujarat and is now being rolled out across all the States in May 2020.
- 7,200 new Self Help Groups of urban poor have been formed during the period starting 15th March, 2020.
- MGNREGS support to returning Migrants. Planning has been initiated for continuing MNREGA works in Monsoon as well: plantations, horticulture, livestock related sheds
- Free Food grain Supply to Migrants for 2 months
- Technology Systems to be used enabling Migrants to access Public Distribution System (Ration) from any Fair Price Shop in India by March 2021 - One Nation One Ration Card. 100% National portability will be achieved by March, 2021
- Affordable Rental Housing Complexes (ARHC) will be arranged for Migrant Workers / Urban Poor because Migrant labour/urban poor face challenges in getting houses at affordable rent.
- Rs. 1500 crores Interest Subvention for MUDRA-Shishu Loans
 - ✓ Small businesses under MUDRA have been disrupted the most & has also impacted their capacity to pay EMIs.
 - ✓ Government of India will provide Interest subvention of 2% for prompt payees for a period of 12 months.
 - ✓ Relief of Rs 1500 cr to MUDRA-Shishu loanees

- Rs 5000 cr Special Credit Facility for Street Vendors
 - ✓ Initial working capital up to Rs. 10,000.
 - ✓ Digital payments will be incentivized through monetary rewards and enhanced working capital credit would be made available for good repayment behavior.
 - ✓ Will support nearly 50 lakh street vendors
 - ✓ Will provide liquidity of Rs 5000 crores
- Rs 70,000 crore boost to housing sector and middle income group through extension of Credit Linked Subsidy Scheme for Middle Income Group (Annual Income: Rs 6–18 lakhs) up to March 2021 to stimulate demand for steel, cement, transport and other construction materials.
- Rs 6000 crore employment push using Compensatory Afforestation Management & Planning Authority (CAMPA) fund set up under Compensatory Afforestation Fund Act, 2016
- Rs 30,000 crores Additional Emergency Working Capital Funding for farmers through NABARD To meet post harvest (Rabi) & current Kharif requirement in May/June

Support to Labors

- Universalization of right of minimum wages and timely payment of wages to all workers including unorganized workers – presently minimum wages applicable to only 30% of workers.
- Statutory concept of National Floor Wage introduced: will reduce regional disparity in minimum wages.
- Fixation of minimum wages simplified, leading to less number of rates of minimum wages and better compliance.
- Appointment letter for all workers- this will promote formalization.
- Annual Health Check-up for employees.
- Occupational Safety & Health (OSH) Code also applicable to establishments engaged in work of hazardous nature even with threshold of less than 10 workers.
- Definition of inter-state migrant worker modified to include migrant workers employed directly by the employer, workers directly coming to destination State of their own besides the migrant workers employed through a contractor.
- Portability of welfare benefits for migrant workers.
- Extension of ESIC coverage pan-India to all districts and all establishments employing 10 or more employees as against those in notified districts/areas only.
- Extension of ESIC coverage to employees working in establishments with less than 10 employees on voluntary basis.
- Mandatory ESIC coverage through notification by the Central Government for employees in hazardous industries with less than 10 employees.
- Social Security Scheme for Gig workers and Platform workers.
- Re-skilling fund introduced for retrenched employees.
- All occupations opened for women and permitted to work at night with safeguards.
- Provision for Social Security Fund for unorganised workers.
- Gratuity for Fixed Term Employment - Provision of gratuity on completion of one year service as against 5 years.

For more details, please follow - <https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1623862>

15th May 2020

FM announced sweeping reforms for the agriculture sector

For Farmers, Fishermen and Animal Husbandry

- Rs 30,000 crore Additional Emergency Working Capital for farmers through NABARD will be provided for meeting crop loan requirement of Rural Cooperative Banks and RRBs to facilitate 3 crore farmers, mostly small and marginal
- Rs 2 lakh crore credit boost to 2.5 crore PM-KISAN beneficiaries including Fisherman and Animal Husbandry Farmers through Kisan Credit Cards.
- A new scheme has been launched to provide interest subvention @2% per annum to dairy cooperatives for 20-21 to facilitate 2 Cr farmers. Additional 2% p.a interest subvention on prompt payment/interest servicing.
- Validity of Sanitary Import Permits (SIPs) for import of Shrimp Broodstock has been extended by 3 months
- Condoned delay up to 1 month in arrival of Brood stock consignments
- Registration of 242 Registered Shrimp hatcheries and Nauplii Rearing Hatcheries expiring on 31.03.2020 extended for 3 months
- Operations of Marine Capture Fisheries and Aquaculture relaxed to cover Inland Fisheries
- Allowed rebooking of Quarantine cubicles for cancelled consignments with no additional charges
- Verification of documents and grant of NOC for Quarantine relaxed from 7 days to 3 days

- **Financing facility of Rs. 1,00,000 crore** will be provided for funding Agriculture Infrastructure Projects at farm-gate & aggregation points (Primary Agricultural Cooperative Societies, Farmers Producer Organisations, Agriculture entrepreneurs, Start-ups, etc.)
- Impetus for development of farm-gate & aggregation point, affordable and financially viable Post Harvest Management infrastructure
- Rs 20,000 crores for Fishermen through Pradhan Mantri Matsya Sampada Yojana (PMMSY)
- An Animal Husbandry Infrastructure Development Fund of Rs. 15,000 crore will be set up. Incentives to be given for establishing plants for export of niche products.
- 10,00,000 hectare will be covered under Herbal cultivation in next two years with outlay of Rs. 4000 crore
- Govt. will develop infrastructure related to Integrated Beekeeping Development Centres, Collection, Marketing and Storage Centres, Post Harvest & value Addition facilities etc;
- Supply chains have been disrupted and farmers are not being able to sell their produce in the markets and Distress sale and reduction of price of perishable fruits and vegetables at the farm level needs to be prevented.
 - ✓ **Operation Greens** will be extended from Tomatoes, Onion and Potatoes (TOP) to **ALL fruits and vegetables (TOTAL)**.
 - ✓ **Scheme features will be as follows:**
 - 50% subsidy on transportation from surplus to deficient markets
 - 50% subsidy on storage, including cold storages
 - ✓ **Pilot for 6 months** – Will be expanded and extended
 - ✓ **Expected outcomes:** Better price realization to farmers, reduced wastages, affordability of products for consumers

Vocal for Local with Global outreach

- A Scheme will be launched to help 2 lakh MFEs so that technical upgradation in Unorganised MFEs units becomes possible to attain FSSAI food standards, build brands and marketing
- **Cluster based approach** (e.g. Mango in UP, Kesar in J&K, Bamboo shoots in North-East, Chilli in Andhra Pradesh, Tapioca in Tamil Nadu etc.)
- **Expected outcomes:** Improved health and safety standards, integration with Retail markets, improved incomes
- This scheme will also help in reaching untapped export markets in view of improved health consciousness.

Administrative Reforms

- Essential Commodities Act will be amended to enable better price realisation for farmers
- Agriculture Marketing Reforms to provide marketing choices to farmers
 - ✓ Farmers bound to sell agriculture produce only to Licensees in APMCs
 - ✓ Such restriction of sale is not there for any industrial produce
 - ✓ **A Central law will be formulated to provide -**
 - Adequate choices to farmer to sell produce at attractive price;
 - Barrier free Inter-State Trade
 - Framework for E-trading of agriculture produce
- **Facilitative legal framework** will be created to enable farmers for engaging with processors, aggregators, large retailers, exporters etc. in a fair and transparent manner

For more details, please follow - <https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1624153>

16th May 2020

FM announced new horizons of growth; structural reforms across Eight Sectors

- Policy Reforms to fast-track Investment Clearance through Empowered Group of Secretaries (EGoS)
- Incentive schemes for Promotion of New Champion Sectors will be launched in sectors such as Solar PV manufacturing; Advanced cell battery storage; etc+
- Project Development Cell in each Ministry to prepare investible projects, coordinate with investors and Central/ State Governments
- Availability of Industrial Land/ Land Bank for promoting new investments and making information available on Industrial Information System (IIS) with GIS mapping.
- Introduction of Commercial Mining in Coal Sector
- Diversified Opportunities in Coal Sector- Investment of Rs 50,000 crores
- Liberalised Regime in Coal Sector
- Enhancing Private Investments in the Mineral Sector
- Enhancing Self Reliance in Defence Production through “Make in India”

- FDI limit in the defence manufacturing under automatic route will be raised from 49% to 74%
- Reduction in Flying cost Rs. 1000 crores - Efficient Airspace Management for Civil Aviation. Restrictions on utilisation of the Indian Air Space will be eased so that civilian flying becomes more efficient.
- More World-class Airports through PPP
- India to become a global hub for Aircraft Maintenance, Repair and Overhaul (MRO). Tax regime for MRO ecosystem has been rationalized. Maintenance cost for airlines will come down.
- Tariff Policy(Consumer Rights , Promote Industry, Sustainability of Sector) will be reformed
- Power Departments /Utilities in Union Territories will be privatised.
- Boosting private sector investment in Social Infrastructure through revamped Viability Gap Funding Scheme- Rs 8100 crores
- Boosting private participation in Space activities
- Atomic Energy related Reforms
 - ✓ Establish research reactor in PPP mode for production of medical isotopes – promote welfare of humanity through affordable treatment for cancer and other diseases.
 - ✓ Establish facilities in PPP mode to use irradiation technology for food preservation – to compliment agricultural reforms and assist farmers.
 - ✓ Link India’s robust start-up ecosystem to nuclear sector – Technology Development cum Incubation Centres will be set up for fostering synergy between research facilities and tech-entrepreneurs.

For more details, please follow - <https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1624536>

17th May 2020

Finance Minister announces Government Reforms and Enablers across Seven Sectors under Aatma Nirbhar Bharat Abhiyaan

- Reforming Governance for Ease of Doing Business.
 - ✓ This included streamlining processes such as granting of permits and clearance, self-certification and third party certification among others.
 - ✓ Government is working on a mission mode on the next phase of Ease of Doing Business Reforms relating to easy registration of property, fast disposal of commercial disputes and simpler tax regime for making India one of the easiest places to do business
 - ✓ Minimum threshold to initiate insolvency proceedings has been raised to Rs. 1 crore (from Rs. 1 lakh, which largely insulates MSMEs). Special insolvency resolution framework for MSMEs under Section 240A of the Code will be notified soon.
 - ✓ Suspension of fresh initiation of insolvency proceedings up to one year, depending upon the pandemic situation. Empowering Central Government to exclude COVID 19 related debt from the definition of “default” under the Code for the purpose of triggering insolvency proceedings.
- Recent Corporate Law measures to boost Measures for Ease of Doing Business
 - ✓ Decriminalisation of Companies Act violations involving minor technical and procedural defaults such as shortcomings in CSR reporting, inadequacies in Board report, filing defaults, delay in holding of AGM.
 - ✓ The Amendments will de-clog the criminal courts and NCLT. 7 compoundable offences altogether dropped and 5 to be dealt with under alternative framework.
- Ease of Doing Business for Corporates
 - ✓ Direct listing of securities by Indian public companies in permissible foreign jurisdictions.
 - ✓ Private companies which list NCDs on stock exchanges not to be regarded as listed companies.
 - ✓ Including the provisions of Part IXA (Producer Companies) of Companies Act, 1956 in Companies Act, 2013.
 - ✓ Power to create additional/ specialized benches for NCLAT
 - ✓ Lower penalties for all defaults for Small Companies, One-person Companies, Producer Companies & Start Ups.
- Technology Driven Education with Equity post-COVID
 - ✓ PM EVIDYA, a programme for multi-mode access to digital/online education to be launched immediately.
 - ✓ Manodarpan, an initiative for psycho-social support for students, teachers and families for mental health and emotional well-being to be launched immediately as well.
 - ✓ New National Curriculum and Pedagogical framework for school, early childhood and teachers will also be launched.
 - ✓ National Foundational Literacy and Numeracy Mission for ensuring that every child attains Learning levels and outcomes in grade 5 by 2025 will be launched by December 2020.

- Public Sector Enterprise Policy for a New, Self-reliant India
 - ✓ List of strategic sectors requiring presence of PSEs in public interest will be notified
 - ✓ In strategic sectors, at least one enterprise will remain in the public sector but private sector will also be allowed
 - ✓ In other sectors, PSEs will be privatized (timing to be based on feasibility etc.)
 - ✓ To minimise wasteful administrative costs, number of enterprises in strategic sectors will ordinarily be only one to four; others will be privatised/ merged/ brought under holding companies

For more details, please follow –

<https://static.pib.gov.in/WriteReadData/userfiles/Aatma%20Nirbhar%20Bharat%20%20Presentation%20Part%205%2017-5-2020.pdf>

The Finance Minister concluded by providing a breakup of the stimulus measures provided so far in order to become Aatma Nirbhar Bharat.

TAX UPDATES, NOTIFICATIONS AND CIRCULARS

INDIRECT TAX

Central Tax Notifications

Notification No. 38/2020 – Central Tax

Date - 5th May, 2020

Seeks to make fifth amendment (2020) to CGST Rules

CBIC has enabled the facility to file GSTR-3B through Electronic Verification Code (EVC) and Short Message Service (SMS) to ease the compliance procedure under the Goods and Services Tax (GST) regime.

Enablement of EVC – The registered person registered under the provisions of the Companies Act, 2013 (18 of 2013) will be allowed to file GSTR-3B through electronic verification code (EVC) during the period from the 21st day of April, 2020 to the 30th day of June, 2020

Enablement of SMS – A new clause 67A has been inserted. As per the said provision, a registered person will be allowed to file Nil GSTR-3B for a tax period through a short messaging service using the registered mobile number and Nil GSTR-3B shall be verified by a registered mobile number based One Time Password facility

Notification No. 39/2020 – Central Tax

Date - 5th May, 2020

Seeks to make amendments to special procedure for corporate debtors undergoing the corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016

CBIC has made amended the notification no. .11/2020- Central Tax, dated the 21st March, 2020.

Summary of first paragraph of notification no. .11/2020- Central Tax, dated the 21st March, 2020-

CBIC has notified those registered persons who are corporate debtors under the provisions of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), undergoing the corporate insolvency resolution process and the management of whose affairs are being undertaken by interim resolution professionals (IRP) or resolution professionals (RP), who shall follow the special procedure, from the date of the appointment of the IRP/RP till the period they undergo the corporate insolvency resolution process.

In the above paragraph, the following proviso shall be inserted, namely: -

The said class of persons shall not include those corporate debtors who have furnished the statements under section 37 and the returns under section 39 of the said Act for all the tax periods prior to the appointment of IRP/RP.

Summary of 2nd paragraph of notification no. .11/2020- Central Tax, dated the 21st March, 2020-

The said class of persons shall, with effect from the date of appointment of IRP / RP, be treated as a distinct person of the corporate debtor, and shall be liable to take a new registration (hereinafter referred to as the new registration) in each of the States or Union territories where the corporate debtor was registered earlier, within thirty days of the appointment of the IRP/RP:

In the above paragraph, the following proviso shall be inserted, namely: -

The said class of persons shall, with effect from the date of appointment of IRP / RP, be treated as a distinct person of the corporate debtor, and shall be liable to take a new registration (hereinafter referred to as the new registration) in each of the States or Union territories where the corporate debtor was registered earlier, within thirty days of the appointment of the IRP/RP **or by 30th June, 2020, whichever is later..”**

Notification No. 40/2020 – Central Tax

Date - 5th May, 2020

Seeks to extend the validity of e-way bills till 31.05.2020 for those e-way bills which expire during the period from 20.03.2020 to 15.04.2020 and generated till 24.03.2020

Where an E-way bill has been generated under rule 138 of the Central Goods and Services Tax Rules, 2017 on or before the 24th March, 2020 and its period of validity expires during the period 20th March, 2020 to the 15th April, 2020, the validity period of such E-way bill shall be deemed to have been extended till the 31st May, 2020.”

Notification No. 41/2020 – Central Tax

Date - 5th May, 2020

Seeks to extend the due date for furnishing of FORM GSTR 9/9C for FY 2018-19 till 30th September, 2020

CBIC has extended the time limit for furnishing of the annual return for the financial year 2018-2019 till the 30th September, 2020.

Notification No. 42/2020 – Central Tax

Date - 5th May, 2020

Seeks to extend the due date for furnishing FORM GSTR-3B, Jan-March, 2020 returns for the taxpayers registered in Ladakh

GSTR 3B due date for Jammu & Kashmir, Ladakh has been extended as follows

Union Territory	Month for which GSTR 3B to be submitted	Due Date
Jammu & Kashmir	November, 2019 to February, 2020	24th March, 2020
Ladakh	November, 2019 to December, 2019	24th March, 2020
Ladakh	January, 2020 to March, 2020	20th May, 2020

Notification No. 43/2020 – Central Tax

Date - 16th May, 2020

Seeks to bring into force Section 128 of Finance Act, 2020 in order to bring amendment in Section 140 of CGST Act w.e.f. 01.07.2017

CBIC has appointed 18th May, 2020, as the date on which the provisions of section 128 of the said Act, shall come into force.

Central Tax Circulars

Circular No. 138/08/2020

Date - 6th May, 2020

Clarification in respect of certain challenges faced by the registered persons in implementation of provisions of GST Laws-reg

Circular No.136/06/2020-GST, dated 03.04.2020 and Circular No.137/07/2020-GST, dated 13.04.2020 had been issued to clarify doubts regarding relief measures taken by the Government for facilitating taxpayers in meeting the compliance requirements under various provisions of the Central Goods and Services Tax Act, 2017 on account of the measures taken to prevent the spread of Novel Corona Virus (COVID-19).

Post issuance of the said clarifications, certain challenges being faced by taxpayers in adhering to the compliance requirements under various other provisions of the CGST Act

The issues raised have been examined and in order to ensure uniformity in the implementation of the provisions of the law across the field formations, CBIC has clarified as under.

Sl. No.	Issue	Clarification
Issues related to Insolvency and Bankruptcy Code, 2016		
1	<u>Notification No. 11/2020 – Central Tax dated 21.03.2020--</u> An IRP / CIRP is required to take a separate registration within 30 days of the issuance of the notification. However IRP/RP were facing difficulty in obtaining registrations during the period of the lockdown and requested to increase the time for obtaining registration from the present 30 days limit.	<u>Vide notification No. 39/2020- Central Tax, dated 05.05.2020--</u> The time limit required for obtaining registration by the IRP/RP in terms of special procedure has been extended. Accordingly, IRP/RP shall now be required to obtain registration within thirty days of the appointment of the IRP/RP or by 30th June, 2020, whichever is later.
2	<u>Notification No. 11/2020 – Central Tax dated 21.03.2020--</u> IRP/RP, in respect of a corporate debtor, has to take a new registration with effect from the date of appointment. Clarification has been sought whether IRP would be required to take a fresh registration even when they are complying with all the provisions of the GST Law under the registration of Corporate Debtor (earlier GSTIN) i.e. all the GSTR-3Bs have been filed by the Corporate debtor / IRP prior to the period of appointment of IRPs and they have not been defaulted in return filing	<u>Vide notification No. 39/2020- Central Tax, dated 05.05.2020--</u> Corporate debtors who have not defaulted in furnishing the return under GST would not be required to obtain a separate registration with effect from the date of appointment of IRP/RP. Accordingly, it is clarified that IRP/RP would not be required to take a fresh registration in those cases where statements in FORM GSTR-1 under section 37 and returns in FORM GSTR-3B under section 39 of the CGST Act, for all the tax periods prior to the appointment of IRP/RP, have been furnished under the registration of Corporate Debtor (earlier GSTIN).
3	<u>Notification No. 11/2020 – Central Tax dated 21.03.2020--</u> Above notification used the terms IRP and RP interchangeably, and in cases where an appointed IRP is not ratified and a separate RP is appointed, whether the same new GSTIN shall be transferred from the IRP to RP, or both will need to take fresh registration.	i.> In cases where the RP is not the same as IRP, or in cases where a different IRP/RP is appointed midway during the insolvency process, the change in the GST system may be carried out by an amendment in the registration form. Changing the authorized signatory is a non- core amendment and does not require approval of tax officer. However, if the previous authorized signatory does not share the credentials with his successor, then the newly appointed person can get his details added through the Jurisdictional authority as Primary authorized signatory. ii.> The new registration by IRP/RP shall be required only once, and in case of any change in IRP/RP after initial appointment under IBC, it would be deemed to be change of authorized signatory and it would not be considered as a distinct person on every such change after initial appointment. Accordingly, it is clarified that such a change would need only change of authorized

		signatory which can be done by the authorized signatory of the Company who can add IRP /RP as new authorized signatory or failing that it can be added by the concerned jurisdictional officer on request by IRP/RP
Other COVID-19 related representations		
4	<p><u>Notification No. 40/2017 – Central Tax(Rate)dated 21.10.2017—</u></p> <p>A registered supplier is allowed to supply the goods to a registered recipient (merchant exporter) at 0.1% provided, inter-alia, that the merchant exporter exports the goods within a period of 90 days from the date of issue of a tax invoice by the registered supplier.</p> <p>Request has been made to clarify the provision vis-à-vis the exemption provided vide notification no. 35/2020-Central Tax dated 03.04.2020.</p>	<p>i. Vide notification No. 35/2020-Central Tax dated 03.04.2020, time limit for compliance of any action by any person which falls during the period from 20.03.2020 to 29.06.2020 has been extended up to 30.06.2020, where completion or compliance of such action has not been made within such time.</p> <p>ii. Notification no. 40/2017-Central Tax (Rate) dated 23.10.2017 was issued under powers conferred by section 11 of the CGST Act, 2017. The exemption provided in notification No. 35/2020-Central Tax dated 03.04.2020 is applicable for section 11 as well.</p> <p>iii. Accordingly, it is clarified that the said requirement of exporting the goods by the merchant exporter within 90 days from the date of issue of tax invoice by the registered supplier gets extended to 30th June, 2020, provided the completion of such 90 days period falls within 20.03.2020 to 29.06.2020</p>
5	<p>Sub-rule (3) of that rule 45 of CGST Rules requires furnishing of FORM GST ITC-04 in respect of goods dispatched to a job worker or received from a job worker during a quarter on or before the 25th day of the month succeeding that quarter. Accordingly, the due date of filing of FORM GST ITC-04 for the quarter ending March, 2020 falls on 25.04.2020. Clarification has been sought as to whether the extension of time limit as provided in terms of notification No. 35/2020-Central Tax dated 03.04.2020 also covers furnishing of FORM GST ITC-04 for quarter ending March, 2020</p>	<p>Time limit for compliance of any action by any person which falls during the period from 20.03.2020 to 29.06.2020 has been extended up to 30.06.2020 where completion or compliance of such action has not been made within such time. Accordingly, it is clarified that the due date of furnishing of FORM GST ITC-04 for the quarter ending March, 2020 stands extended up to 30.06.2020.</p>

Customs Notifications

Tariff Notifications

Notification No. 21/2020 – Customs

Date - 5th May, 2020

Seeks to amend notification No. 18/2019-Customs dated 6th July, 2019 so as to increase effective rate of Road and Infrastructure Cess (RIC) collected as additional duty of customs on petrol and diesel by Rs. 8 per litre

CBIC has made amendments in the Notification No. 18/2019-Customs, dated the 6th July, 2019.

In the said notification, in the Table,-

- (i) against Sl. No. 1, for the entry in column (4), the entry “Rs. 18 per litre” shall be substituted;

(ii) against Sl. No. 2, for the entry in column (4), the entry “Rs. 18 per litre” shall be substituted;

This notification has been effected from the 6th May, 2020.

Notification No. 22/2020 – Customs

Date - 12th May, 2020

Seeks to confirm the provisional increase of 5% in the rate of duty of customs levied vide notification No. 29/2019-Cus dated 04.09.2019, for a period of 180 days, on imports of “Refined Bleached Deodorized Palmolein and Refined Bleached Deodorized Palm Oil”, falling under tariff item [1511 90 10] or tariff item [1511 90 20] of the First Schedule to the Customs Tariff Act, 1975, originating in Malaysia and imported under India-Malaysia Comprehensive Economic Cooperation Agreement.

The Directorate General of Trade Remedies initiated an investigation in terms of rule 9 of the India Malaysia Comprehensive Economic Cooperation Agreement (Bilateral Safeguard Measures) Rules, 2017 in relation to imports of “Refined Bleached Deodorized Palmolein and Refined Bleached Deodorized Palm Oil” falling under tariff item [1511 90 10] or tariff item [1511 90 20] of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975)

The Directorate General of Trade Remedies came to a preliminary conclusion that critical circumstances exist where delay in imposition of safeguard measures would cause irreparable damage to the domestic producers and recommended an increase in rate of duty of customs by 5%, for a period of 180 days, on imports of subject goods, originating in Malaysia and imported under India-Malaysia Comprehensive Economic Cooperation Agreement

For more details, please follow - <https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-tarr2020/cs22-2020.pdf>

Notification No. 23/2020 – Customs

Date - 14th May, 2020

Seeks to further amend Customs Notification No. 50/2017-Customs dated 30.06.2017 so as to extend the period of validity of existing Export Performance Certificates for FY 2019-20 up to 30.09.2020.

CBIC has made amendments in the Notification No. 50/2017-Customs, dated the 30th June, 2017

In the said notification, in the ANNEXURE, –

- i. in Condition No. 10, in Condition (c), the following proviso shall be inserted, namely:-
“Provided that the validity of the said certificate, issued for the financial year 2019-20, upto the period of 31st March, 2020, shall be extended upto 30th September, 2020 for import of unutilised value and quantity of goods specified in the said certificate.”;
- ii. in Condition No. 21, in Condition (c), the following proviso shall be inserted, namely:-

“Provided that the validity of the said certificate, issued for the financial year 2019-20, upto the period of 31st March, 2020, shall be extended upto 30th September, 2020 for import of unutilised value and quantity of item(s) specified in the said certificate.

For more details, please follow - <https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-tarr2020/cs23-2020.pdf>

Non-Tariff Notifications

CUSTOMS (NON TARIFF) NOTIFICATION

Notification No. 41/2020 – Customs(N.T)

Date - 6th May, 2020

Exchange Rates Notification No.41/2020-Custom (NT) dated 06.05.2020

CBIC has made determined the rate of exchange of conversion of each of the foreign currencies into Indian currency or vice versa, shall, with effect from 7th May, 2020, relating to imported and export goods.

SCHEDULE-I

Sl.No.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
		(For Imported Goods)	(For Exported Goods)
1	Australian Dollar	49.95	47.75
2	Bahraini Dinar	207.20	194.20
3	Canadian Dollar	54.90	53.05

For more details, please follow - <https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-nt2020/csnt41-2020.pdf>

Notification No. 42/2020 – Customs(N.T)

Date - 15th May, 2020

Tariff Notification in respect of Fixation of Tariff Value of Edible Oils, Brass Scrap, Poppy Seeds, Areca Nut, Gold and Silver- Reg

CBIC has amended the Notification No. 36/2001-Customs (N.T.), dated the 3rd August, 2001.

TABLE-1

Chapter/ heading/ sub-heading/tariff item	Description of goods	Tariff value (US \$Per Metric Tonne)
1511 10 00	Crude Palm Oil	546
1511 90 10	RBD Palm Oil	556
1511 90 90	Others – Palm Oil	551
1511 10 00	Crude Palmolein	561

For more details, please follow - <https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-nt2020/csnt42-2020.pdf>

Circulars - Customs

Circular No. 23/2020-Customs

Date – 11th May 2020

Review of Circular No. 17/2020 dated 03.04.2020 namely, 'Measures to facilitate trade during the lockdown period- section 143 AA of the Customs Act, 1962'

CBIC has further extended the facility of accepting undertaking in lieu of bond for the period till 30.05.2020. Consequently the date for submission of proper bond in lieu of which the undertaking is being temporarily accepted is extended till 15.06.2020

For more details, please follow - <https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-circulars/cs-circulars-2020/Circular-No-23-2020.pdf>

Circular No. 24/2020-Customs

Date – 14th May 2020

Implementation of PGA e-SANCHIT– Paperless Processing under SWIFT-Uploading of Licenses/Permits/Certificates/Other Authorizations (LPCOs) by PGAs – reg

“e-SANCHIT” application is successfully in operation since 01.04.2018. With the objective of further reducing physical interface between Customs/regulatory agencies and the trade and to increase the speed of clearance in both imports & exports, a facility to upload digitally signed Licenses/Permits/Certificates/Other Authorizations (LPCOs) by Participating Government Agencies (PGAs) on e-SANCHIT at all ICES locations across India was introduced from 16.11.2018 vide Circular No. 44/2018-Cus. dated 13.11.2018.

In this regard, kindly refer to Board’s Circular No.13/2019-Cus. dated 03.06.2019, Circular No.19/2019-Cus. dated 16.07.2019, Circular No.03/2020-Cus dated 15.01.2020 and Circular No. 11/2020-Cus. dated 10.02.2020. Already 50 PGAs have been enabled for uploading their LPCOs on e-SANCHIT.

Now, 1 more PGA namely Registrar of Newspapers of India (RNI) with its LPCOs as detailed below is being brought onboard e-SANCHIT

Document Code	Document Name	Document Description	PGA Code
101RN1	Certificate of Registration	Certificate of Registration issued by RNI for registering the publisher/Owner.	RNI
911RN1	Self-declaration certificate for Import	Self-Declaration Certificate is submitted by the Publisher/Owner of the newspaper and authenticated by RNI before importing the newsprint	RNI

With the above, the total number of PGAs on Board e-SANCHIT as on date becomes 51.

For more details , please follow - <https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-circulars/cs-circulars-2020/Circular-No-24-2020.pdf>

DIRECT TAX

Notifications

Notification No. 23/2020

Date – 6th May 2020

Amendment of Mutual Agreement Procedure (MAP) procedure laid down in the Income-Tax Rules

For rule 44G, the following rule shall be substituted, namely

“44G. Application seeking to give effect to the terms of any agreement under clause (h) of sub-section (2) of section 295 and the procedure for giving effect to the decision under the Agreement. –

- (1) Where an assessee, being a resident of India, is aggrieved by any action of the tax authorities of any country or specified territory outside India for the reason that, according to him, such action is not in accordance with the terms of agreement with such other country or specified territory, he may make an application to the Competent Authority in India seeking to invoke the mutual agreement procedure, if provided in such agreement, in Form No. 34F.
- (2) Where a reference has been received from the competent authority of any country or specified territory outside India under any agreement with that country or specified territory with regard to any action taken by any income-tax authority in India or by the tax authorities of such country or specified territory, the Competent Authority in India shall convey his acceptance or otherwise for

taking up the reference under mutual agreement procedure to the competent authority of the other country or specified territory.

For more details, please follow –

https://www.incometaxindia.gov.in/communications/notification/notification23_2020.pdf

Notification No. 24/2020

Date – 8th May 2020

Notification regarding Shri Ram Janmabhoomi Teerth Kshetra

CBDT has notified “SHRI RAM JANMABHOOMI TEERTH KSHETRA” (PAN: AAZTS6197B) as the place of historic importance and a place of public worship of renown for the purposes of the said section from the year F.Y. 2020-2021, relevant to the Assessment Year 2021-2022.

Circular

Circular No 11 of 2020

Date 8th May 2020

Clarification in respect of residency under section 6 of The Income Tax Act 1961

CBDT has clarified that the lockdown period will not be counted to determine NRIs residency status for the purpose of computation of Tax Liability

In case of NRIs, Taxability under Income Tax is being decided based on the number of days residing in India. Recent amendments have been introduced by the Finance Act 2020 related to the Residential Status.

Various representations have been received stating that there are a number of individuals who had come on a visit to India during the previous year 2019-20 for a particular duration and intended to leave India before the end of the previous year for maintaining their status as a non-resident or not ordinarily resident in India.

However to prevent pandemic of COVID 19 lockdown has been announced in India in March 2020 and flight operations has been suspended also. Non-resident Indians (NRIs) who came to the India before the lockdown, do not have an option to return their workplace country till travel restrictions are being lifted.

Considering the above stated situation CBDT has decided that “The individuals who have been unable to leave India on or before 31st March 2020, his period of stay in India from 22nd March 2020 to 31st March 2020 shall not be taken into account; or has been quarantined in India on account of Novel Corona Virus (Covid-19) on or after 1st March 2020 and has departed on an evacuation flight on or before 31st March 2020. Clarification-The individual who has departed on an evacuation flight on or before 31st March 2020, his period of stay in India from 22nd March 2020 to this date of departure shall not be taken into account.

PRESS RELEASE

DIRECT TAX

PRESS RELEASE

Date 13th May 2020

Reduction in rate of Tax Deduction at Source (TDS) & Tax Collection at Source (TCS)

In order to provide more funds at the disposal of the taxpayers for dealing with the economic situation arising out of COVID-19 pandemic, the rates of Tax Deduction at Source (TDS) for the following non-salaried specified payments made to residents has been reduced by 25% for the period from 14th May, 2020 to 31st March, 2021:-

Section of the Income-tax Act	Nature of Payment	Existing Rate of TDS	Reduced rate from 14/05/2020 to 31/03/2021
193	Interest on Securities	10%	7.5%
194	Dividend	10%	7.5%
194A	Interest other than interest on securities	10%	7.5%
194C	Payment of Contractors and sub-contractors	1% (individual/HUF) 2% (others)	0.75% (individual/HUF) 1.5% (others)
194D	Insurance Commission	5%	3.75%
194DA	Payment in respect of life insurance policy	5%	3.75%
194EE	Payments in respect of deposits under National Savings Scheme	10%	7.5%
194F	Payments on account of re-purchase of Units by Mutual Funds or UTI	20%	15%
194G	Commission, prize etc., on sale of lottery tickets	5%	3.75%
194H	Commission or brokerage	5%	3.75%
194-I(a)	Rent for plant and machinery	2%	1.5%
194-I(b)	Rent for immovable property	10%	7.5%
194-IA	Payment for acquisition of immovable property	1%	0.75%
194-IB	Payment of rent by individual or HUF	5%	3.75%
194-IC	Payment for Joint Development Agreements	10%	7.5%
194J	Fee for Professional or Technical Services (FTS), Royalty, etc.	2% (FTS, certain royalties, call centre) 10% (others)	1.5% (FTS, certain royalties, call centre) 7.5% (others)
194K	Payment of dividend by Mutual Funds	10%	7.5%
194LA	Payment of Compensation on acquisition of immovable property	10%	7.5%
194LBA(1)	Payment of income by Business trust	10%	7.5%

194LBB(i)	Payment of income by Investment fund	10%	7.5%
194LBC(1)	Income by securitization trust	25% (Individual/HUF) 30% (Others)	18.75% (Individual/HUF) 22.5% (Others)
194M	Payment to commission, brokerage etc. by Individual and HUF	5%	3.75%
194-O	TDS on e-commerce participants	1%(w.e.f.1.10.2020)	0.75%

2. Further, the rate of Tax Collection at Source (TCS) for the following specified receipts has also been reduced by 25% for the period from 14th May, 2020 to 31st March, 2021:-

Section of the Income Tax Act	Nature of Receipts	Existing Rate of TCS	Reduced rate from 14/05/2020 to 31/03/2021
206C(1)	Sale of		
	(a) Tendu Leaves	5%	3.75%
	(b) Timber obtained under a forest lease	2.5%	1.875%
	(c) timber obtained by any other mode	2.5%	1.875%
	(d) Any other forest produce not being timber/tendu leaves	2.5%	1.875%
	(e) scrap	1%	0.75%
206C(1C)	(f) Minerals, being coal or lignite or iron ore	1%	0.75%
	Grant of license, lease, etc. of		
	(a) Parking lot	2%	1.5%
206C(1F)	(b) Toll Plaza	2%	1.5%
	(c) Mining and quarrying	2%	1.5%
206C(1H)	Sale of motor vehicle above 10 lakhs	1%	0.75%
206C(1H)	Sale of any other goods	0.1% (w.e.f 01.10.2020)	0.75%

3. Therefore, TDS on the amount paid or credited during the period from 14th May, 2020 to 31st March, 2021 shall be deducted at the reduced rates specified in the table in para 1 above. Similarly, the tax on the amount received or debited during the period from 14th May, 2020 to 31st March, 2021 shall be collected at the reduced rates specified in the table in para 2 above.
4. It is further stated that there shall be no reduction in rates of TDS or TCS, where the tax is required to be deducted or collected at higher rate due to non-furnishing of PAN/Aadhaar. For example, if the tax is required to be deducted at 20% under section 206AA of the Income-tax Act due to non-furnishing of PAN/Aadhaar, it shall be deducted at the rate of 20% and not at the rate of 15%.
5. Legislative amendments in this regard shall be proposed in due course.

JUDGEMENTS

INDIRECT TAX

LIC Maturity Sum exempted from GST: AAR

Applicant – M/S Anil Kumar Agarwal

Case No.- KAR/ADRG 30/2020

Date – 04.05.2020

Fact of the Case

- In the present problem M/S Anil Kumar Agarwal is the applicant.
- The applicant is an unregistered person and is in receipt of various types of income or revenue such as partner's salary, salary as director from Private Limited company, the LIC Policy maturity amount, etc.
- On maturity the applicant received LIC policy maturity amount after deduction of GST. Being aggrieved the applicant filed a petition to the AAR Karnataka against the deduction of GST from LIC maturity paymen

Decision of the Case

- The bench held that “the impugned income would be received on maturity of the insurance policies i.e. on the closure of the insurance contract consequent on the maturity of the said policies
- The insurance premium of policies is taxable under GST, being the consideration for the services provided by the insurance companies.
- Therefore, on completion of the said contract/maturity of the policy, there would not be any service involved between the policyholder and the insurance company. So no question of GST to be levied on LIC maturity amount.

Carbonated Fruit Juices are Aerated Drinks,

28% GST applicable: AAAR

Applicant - M/s. Rich Dairy Products (India)

Pvt Ltd

Appeal No. – AAAR/01/2020(AR)

Date – 10.02.2020

Fact of the Case

- The appellant, M/s. Rich Dairy Products (India) Pvt Ltd. manufactures fruit juices and also carbonated fruit juices

- The appellant filed an appeal against the order passed by the Tamil Nadu State Authority for Advance Ruling (AAR).
- The appellant sought an advance ruling on the issue of whether carbonated fruit juices fell under Fruit Juices or aerated drinks.
- The products ‘Richyaa Darner Lemon’ and ‘Licta Lemon’ to be supplied by the applicant are classifiable under CTH 22021020 and all others i.e. ‘Richyaa Darner Cola’, ‘Licta Cola’, ‘Richyaa Darner Jeera Soda’, ‘Licta Jeera Masala’, ‘Richyaa Darner Orange’ and ‘Licta Orange’ are classifiable as ‘Other’ under CTH 22021090,” the Tamil Nadu State Authority for Advance Ruling (AAR) ruled.
- The applicant contended that the products are being manufactured by them from 27th November 2017 and before that they were using artificial flavoring which did not contain any fruit juice and the products are not comparable.

Decision of the Case

- The bench uphold the decision of the Authority of Advance Ruling (AAR) and held that The products ‘Richyaa Darner Lemon’ and ‘Licta Lemon’ to be supplied by the applicant are classifiable under CTH 22021020 and all others i.e. ‘Richyaa Darner Cola’, ‘Licta Cola’, ‘Richyaa Darner Jeera Soda’, ‘Licta Jeera Masala’, ‘Richyaa Darner Orange’ and ‘Licta Orange’ are classifiable as ‘Other’ under CTH 22021090
- Hence, in the GST Council Meeting, it was held that 28% plus cess will be applicable.

Sale of DVDs and CDs with Licensed Software

will attract Higher GST Rate: AAR

Applicant - Venbakkam Commandur

Janardhanan- Proprietor M/s Law Weekly

Journal

Case No. – 13/AAR/2020

Date – 27.02.2020

Fact of the Case

- The applicant, Venbakkam Commandur Janardhanan, Proprietor M/s Law Weekly Journal, is engaged in the supply of printed law journals and DVDs of the law journals.

- The applicant sought the advance ruling on the issue whether the assessee/dealer which publishes law journals in print and sells the same content that is in books in an electronic form in DVD's/CDs with software to search and read it in computers and handheld devices come under the category of E-Book so that it can avail the benefit of the notification dated 26.07.2018 in respect of E-book.
- Further, the issues related to the utilization of credit availed by the applicant and is on the reversal of credit availed, which do not fall under any of the categories specified under Section 97(2) of the Act and therefore are not within the ambit of this authority.

Decision of the Case

- The authority ruled, “the supply of DVDs/CDs with The Law Weekly Desktop’ software along with end-user license and the supply of access to the on-line database on the applicant’s website are not eligible to avail the benefit of entry at SI.No. 22 of Notification No. 13/2018-C.T.(Rate) dated 26.07.2018 notification dated 26.07.2018.”
- The Tamil Nadu Authority of Advance Ruling (AAR) has ruled that the supply of DVDs and CDs with Licensed Software cannot be treated as e-books for the purpose of attracting a lesser rate of 5% GST.

Full-time Director’s Salary exempted from

GST: AAR

Applicant - M/s Anil Kumar Agarwal

Case No. – KAR/ADRG 30/2020

Date – 04.05.2020

Fact of the Case

- In the present case M/s Anil Kumar Agarwal an unregistered person is the assessee and is in receipt of various types of income or revenue
- Various types of income and revenue are as partner’s salary, salary as director from Private Limited company, interest income on partners fixed capital credited to partner’s capital account, interest income on partners variable capital credited to partner’s capital account, interest received on loan given, Interest received on advance given, interest accumulated along with a deposit or fixed deposit, interest income received on deposit/ fixed deposit, interest received on Debentures, interest accumulated on debentures, interest on Post office deposits, interest income on

National Savings Certificate (NSC), interest income on PPF account, interest income on National Pension Scheme (NPS), etc.

- A person or entity providing services pays the tax to the exchequer and recovers it from the receiver of the service. But under RCM, the receiver of the service pays the tax by deducting it from the service provider’s compensation.

Decision of the Case

- The authority consisting of the members Dr. Ravi Prasad and Mashhoodur Rehman Farooqui ruled that the incomes received towards salary or remuneration as a Non-Executive Director of a private limited company, renting of commercial property, renting of residential property and the values of amounts extended as deposits or loans or advances out of which interest is being received are to be included in the aggregate turnover, for registration.
- The Karnataka bench of the Authority for Advance Rulings (AAR) held that the salary of a director is not subject to Goods and Services Tax (GST). The ruling is contradictory to the Rajasthan bench where the authority recently ruled that all directors are liable to pay GST.

Britannia Winkin’ Cow Thick Shake’ classifiable as Flavoured Milk attracting 12%

GST: AAR

Applicant - M/s. Britannia Industries Limited

Case No. – 08/AAR/2020

Date - 25.02.2020

Fact of the Case

- The applicant, M/s. Britannia Industries Limited is a leading supplier of dairy products, biscuits, bread, etc. which are available across the country in close to 5 million retail outlets.
- The Applicant has stated that they manufacture or procure and supply UHT Sterilized Flavoured Milk and market it under the brand name ‘Britannia Winkin’ Cow Thick Shake’. The product is made in multiple flavours and supplied in Tetra Packs. The UHT Sterilized Flavoured Milk comprises mainly of milk about 80 – 90% and sugar about 10 – 12%.
- The applicant has sought the advance ruling on the issue, whether UHT Sterilized Flavoured Milk is classifiable under Chapter 4 which pertains to Tariff Heading 0402

Decision of the Case

- The authority ruled that UHT Sterilized Flavoured Milk marketed under the brand name 'Britannia Winkin' Cow Thick Shake' by the applicant is not classifiable under the Tariff heading '0402 /0404' but classifiable under CTH 22029930.
 - The applicant has claimed that the addition of flavour does not change the characteristics of the product and the product still remains milk and therefore classifiable under CTH 04
 - But the authority does not disagree with the fact that the product in hand is a form of milk but as brought out supra, the product being a ready for consumption drink, i.e. a beverage with a basis of milk, is specifically classified under CTH 22029930 and excluded from the chapter 04
 - The Tamil Nadu Authority for Advance Ruling (AAR) ruled that UHT Sterilized Flavoured Milk marketed under the brand name 'Britannia Winkin' Cow Thick Shake' by the applicant is classifiable as "flavoured milk" and therefore, attracts 12% GST.
-

DIRECT TAX

Eligible CSR Payments should be Deducted while Computing Business Income: ITAT First American (India) Pvt. Ltd vs. The Assistant Commissioner of Income Tax
Case No. – 1762/Bang/2019
Date -29.04.2020

Fact of the Case

- The Assessee, First American (India) Pvt. Ltd. is a company engaged in the business of BPO operations, software services and developing, designing, and selling IT infrastructure
- The assessee filed its return of income and subsequently, the return was revised. The case was selected for scrutiny and notice under Section 143(2) and 142(1) along with the questionnaire was issued to the assessee. In response to statutory notices, representative of assessee appeared before AO.
- The assessee claimed deduction under section 80G of the act towards donation paid. The AO disallowed the deduction claimed under section 80G of the act since the donation is part of CSR and such expenses should be debited to profit and loss account.
- The petitioner contended that all payments forming part of CSR do not form part of profit and loss account for computing Income

under the head, "Income from Business and Profession". It has been submitted that some payments forming part of CSR were claimed as deduction under Section 80G of the Act, for computing "Total taxable income", which has been disallowed by authorities below.

Decision of the Case

- The tribunal held that assessee cannot be denied the benefit of a claim under Chapter VI A, which is considered for computing 'Total Taxable Income'.
 - If the assessee is denied this benefit, merely because such payment forms part of CSR, would lead to double disallowance, which is not the intention of Legislature
 - The Income Tax Appellate Tribunal (ITAT) redirected the issue to the Assessing Officer (AO) as the authorities have erred in denying a claim under Section 80G of the Income Tax Act, 1961 by observing that the CSR payments eligible under the said provision shall be deducted at the time of computation of the head "Profit and Gain from Business and Profession".
-

Disallowance of Deduction of Interest Income should be restricted to Net Interest and not Gross Interest: ITAT
M/s. Saturn Griha Nirman Pvt. Limited vs. Income Tax Officer
Case No. – 2616/Kol/2019
Date – 04.05.2020

Fact of the Case

- M/s. Saturn Griha Nirman Pvt. Limited Company is the assessee in the present problem which is engaged in the business of Builders and Property Developers.
- During the year under consideration, the assessee-company had developed a housing project namely "Salarpuria Symphony" in Bangalore, Karnataka, and the entire profit of the said project was claimed to be exempt under section 80IB(10) of the Act.
- During the course of assessment proceedings, it was noticed by the Assessing Officer that interest income received on Bank deposits, etc. as well as other income earned during the year under consideration was also included by the assessee in the profit earned from developing of a housing project, which was claimed to be eligible for deduction under section 80IB(10).

- According to the Assessing Officer, the said income was not derived by the assessee from the business of development of housing projects, and the same, therefore, was not eligible for deduction under section 80IB(10).
- He accordingly disallowed the claim of the assessee for deduction under section 80IB(10) in respect of interest income of Rs.11,10,810 and other income amounting to Rs.6,86,476/-. On appeal, the Id. CIT(Appeals) confirmed the said disallowance made by the Assessing officer.
- The assessee appeared before tribunal.

Decision of the Case

- The tribunal consists of a Vice-President, P.M. Jagtap, relying on the decision of the Apex Court held that disallowance of deduction under section 80IB(10) of the Income Tax Act, 1961 in respect of interest income should be restricted to net interest and not gross interest.
- The Kolkata Bench of Income Tax Appellate Tribunal (ITAT) held that disallowance of deduction under section 80IB(10) of the Income Tax Act, 1961 in respect of interest income should be restricted to net interest and not gross interest.

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Books of Accounts can't be Rejected due to Non-Presentation during Survey: Allahabad HC

Mahesh Coal Traders vs. Commissioner of Commercial Tax
Case No. – Sale/Trade Tax Revision No. 976 and 977 of 2013
Date – 13.04.2020

Fact of the Case

- For the assessment year, 2008–09 the assessee filed returns, however, the Assessing Authority rejected the books of accounts and assessed the assessee on the basis of a survey report.
- The assessee being aggrieved by the assessment order preferred the First Appeal before the Additional Commissioner (Appeals) Commercial Tax. The First Appellate Authority allowed the appeal in-part deleting the turnover in respect of alleged purchase and sale of coal made from unregistered dealers.
- The Revenue preferred a Second Appeal before the Commercial Tax Tribunal against

order passed by the Additional Commissioner (Appeals) commercial tax, Ghaziabad

- The Tribunal has upheld the rejection of books of accounts, considering the fact that at the time of survey no books of accounts were produced and further that stock of Coal weighing 7-8 tonnes which were found could not be verified from the account books.

Decision of the Case

- The single-judge bench of Justice Alok Mathur observed that though the Tribunal has recorded that the books of accounts were duly presented when the show cause notice was given to the assessee, and no discrepancy was found in the same
- Merely non-presentation of the books of accounts at the time of survey cannot be the sole reason for rejection of the books of accounts.
- The order of the Tribunal in this regard deserves to be set aside and be remanded to it for fresh adjudication

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Tax Authorities should consider Documentary Evidence before confirming Addition for Cash Credits: ITAT

M/s. Harina Developers Pvt. Ltd vs. The Income Tax Officer
Case No. –2185/Bang/2019
Date – 28.04.2020

Fact of the Case

- In the present prolem M/s. Harina Developers Pvt. Ltd. is the assessee who is engaged in the business of plotting and selling of housing sites.
- The first issue relates to the addition of outstanding liabilities made under Section 68 of the Act. The AO noticed that the assessee has purchased lands from certain persons, but was showing a sum of Rs.2,99,20,000/- as still payable to the sellers of land. The AO asked the assessee to produce the creditors, but it could produce only sons of Ms. Beeramma, who confirmed that the sum of Rs.72.00 lakhs was not received by her. Accordingly, the AO accepted the outstanding credit balance of Rs.72.00 lakhs and added the remaining amount of Rs.2,27,20,000/- as income in the hands of the assessee under Section 68 of the Act. The CIT(A) also confirmed this addition.
- The next issue relates to the addition of Rs.1,07,46,510/-, being the loan received

from two directors, as unexplained cash credit under Section 68 of the Act. The assessee could file only ledger account extract of the above creditors. Since the assessee did not file any confirmation letter from them, the assessing officer assessed a sum of Rs.1,07,46,510/- as unexplained cash credit under Section 68 of the Act.

- The last issue relates to the addition of Rs.2,25,16,003/-, being the advance received from customers towards the sale of plots. The AO noticed that the assessee has received advances for sale of plots from 15 persons in respect of the Nelamangala Project. The total amount received was Rs.2,40,66,003/-. Since the assessee could not furnish any confirmation letters, the AO issued notices under Section 133(6) to all the 15 persons. Out of the same, eight letters were returned unserved with the noting, addressee left, incomplete address, etc. Seven persons to whom the notices were served did not respond. The assessee filed copies of bank statements with the submission that some of the advances have been returned back. The AO did not accept the same. Accordingly, he added a sum of Rs.2,25,16,003/- to the total income of the assessee. The Ld CIT(A) also confirmed the same.

Decision of the Case

- The tribunal held that the onus is cast upon the assessee to prove the cash credits received by it.
 - The tribunal noticed that the assessee has furnished certain documents in respect of some of the advances. It has also given explanations with regard to certain other advances. None of these documents and explanations has been examined by the tax authorities
 - In the opinion of the tribunal this issue also requires examination at the end of the AO. Accordingly, we set aside the order passed by Ld CIT(A) on this issue and restore the same to the file of the AO for examining it afresh
-

Assessee can't be denied benefit of 50% Deduction merely because Assessee's son name is also there in Purchase Document: ITAT Smt. Subbalakshmi Kurada vs. The Assistant Commissioner of Income Tax.
Case No. – 2493/Bang/2019
Date – 08.05.2020

Fact of the Case

- In the present problem Smt. Subbalakshmi Kurada is the assessee who sold a residential house property for a sum of Rs.12.75 crores. She purchased another residential house property for Rs.11.02 crores. The new house property was purchased in the joint name of the assessee and her son
- The assessee claimed deduction of Rs.8.47 crores under Section 54 of the Act towards the cost of new residential house property against the long term capital gain arising on sale of original house property.
- Since the new residential house property has been purchased in the name of assessee and her son, The AO restricted the deduction under Section 54 of the Act to 50%, he allowed a deduction to the extent of Rs.4.23 crores only
- Being aggrieved the assessee filed an appeal to the tribunal.

Decision of the Case

- The tribunal while relying on the decisions of the higher court held that the assessee can not be denied the 50% of deduction under Section 54 of the Income Tax Act, 1961 merely because the name of assessee's son is also mentioned in the purchase document when the entire purchase consideration has flown from the assessee.
- The tribunal said that the assessee is entitled to full deduction u/s 54 of the Act. Accordingly, the case is set aside the order passed by Ld CIT(A) on this issue and direct the AO to allow deduction u/s 54 of the Act as claimed by the assessee

TAX COMPLIANCE CALENDAR AT A GLANCE

GST CALENDAR

GSTR – 3B

Return	Turnover	Month	Regular Due Date	Revised Due Date	Interest	Late Fees & Penalty
GSTR-3B	Less than Rs. 1.5 Crore	February	20/03/2020	30/06/2020	X	X
		March	20/04/2020	03/07/2020		
		April	20/05/2020	06/07/2020		
	More than Rs. 1.5 but upto Rs. 5 Crores	February	20/03/2020	29/06/2020	X	X
		March	20/04/2020	29/06/2020		
		April	30/05/2020	30/06/2020		
	More than Rs. 5 Crores	February	20/03/2020	24/06/2020	√ At Reduced Rate @9% p.a. (No interest for delay of 15 th days from due date)	X (If filed on or before 30 th June, 2020)
		March	20/04/2020	24/06/2020		
		April	20/05/2020	24/06/2020		

GSTR – 1

Return	Turnover	Month	Regular Due Date	Revised Due Date	Interest	Late Fees & Penalty
GSTR- 1 (Monthly)	More than Rs. 5 Crore	March	11/03/2020	30 th June, 2020	Not Applicable	X
		April	11/04/2020			
		May	11/05/2020			
GSTR -1 (Quarterly)	Less than Rs. 1.5 Crore	Jan – Mar 2020	30/04/2020	30 th June, 2020	Not Applicable	X

CMP – 08 & GSTR - 4

Return	Turnover	Month	Regular Due Date	Revised Due Date	Interest	Late Fees & Penalty
CMP - 08 (Quarterly)	Composition Scheme	Jan – Mar 2020	18/04/2020	7 th July, 2020	X	X
GSTR - 4 (Annual Return)		2019-20	30/04/2020	15 th July, 2020	X	X

GST Audit & GST Annual Return



Return	Turnover	Month	Regular Due Date	Revised Due Date	Interest	Late Fees & Penalty
GST Audit	More than Rs. 1.5 Crore	2018-19	31/03/2020	30 th June, 2020	No Change	No Change
GST Annual Return	More than Rs. 2 Crore	2018-19	31/03/2020	30 th June, 2020	No Change	No Change

DIRECT TAX CALENDAR - MAY, 2020

30.05.2020

- Submission of a statement (in Form No. 49C) by non-resident having a liaison office in India for the financial year 2019-20.
- Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA in the month of April, 2020.
- Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194M in the month of April, 2020.
- Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IB in the month of April, 2020.

DIRECT TAX CALENDAR - JUNE, 2020

07.06.2020

- Due date for deposit of Tax deducted/collected for the month of May, 2020. However, all sum deducted/collected by an office of the government shall be paid to the credit of the Central Government on the same day where tax is paid without production of an Income-tax Challan*

14.06.2020

- Due date for issue of TDS Certificate for tax deducted under section 194-IA, section 194-IB and section 194M in the month of April, 2020

15.06.2020

- Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of May, 2020 has been paid without the production of a challan
- Quarterly TDS certificates (in respect of tax deducted for payments other than salary) for the quarter ending March 31, 2020
- First installment of advance tax for the assessment year 2021-22
- Certificate of tax deducted at source to employees in respect of salary paid and tax deducted during Financial Year 2019-20
- 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 May, 2020

29.06.2020

- Due date for e-filing of a statement (in Form No. 3CEK) by an eligible investment fund under section 9A in respect of its activities in financial year 2019-20.

30.06.2020

- Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA , section 194-IB and section 194M in the month of May, 2020
- Return in respect of securities transaction tax for the financial year 2019-20
- Quarterly return of non-deduction of tax at source by a banking company from interest on time deposit in respect of the quarter ending March 31, 2020
- Statement to be furnished (in Form No. 64C) by Alternative Investment Fund (AIF) to units holders in respect of income distributed during the previous year 2019-20
- Report by an approved institution/public sector company under Section 35AC(4)/(5) for the year ending March 31, 2020
- Due date for furnishing of statement of income distributed by business trust to its unit holders during the financial year 2019-20. This statement is required to be furnished to the unit holders in form No. 64B

***Note:** The CBDT vide the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 dated 31-03-2020 has extended all respective due dates, falling during the period from 20-03-2020 to 29-06-2020, till June 30, 2020.*

The benefit of extended due date shall not be available in respect of payment of tax. However, any delay in payment of tax which is due for payment from 20-03-2020 to 29-06-2020 shall attract interest at the lower rate of 0.75% for every month or part thereof if same is paid after the due date but on or before 30-06-2020.

COURSES OFFERED BY TAX RESEARCH DEPARTMENT

Eligibility criterion for admission in TRD Courses

- ✓ Qualified Cost & Management Accountants (Members)
- ✓ Other Professionals (CS, CA, MBA, M.Com, Lawyers)
- ✓ Executives from Industries and Tax Practitioners
- ✓ Students who are either CMA qualified or CMA pursuing

CERTIFICATE COURSE ON TDS

Course Fee - Rs. 10,000 + 18% GST
*20% Discount for Members, CMA
Final Passed Candidates and
CMA Final pursuing Students*

Exam Fees - Rs. 1,000 + 18% GST
Duration – 30 Hours
Mode of Class – Online

CERTIFICATE COURSE ON INCOME TAX RETURN FILLING

Course Fee - Rs. 10,000 + 18% GST
*20% Discount for Members, CMA
Final Passed Candidates and
CMA Final pursuing Students*

Exam Fees - Rs. 1,000 + 18% GST
Duration – 30 Hours
Mode of Class – Online

CERTIFICATE COURSE ON GST

Course Fee - Rs. 10,000 + 18% GST
*20% Discount for Members, CMA
Final Passed Candidates and CMA
Final pursuing Students*

Exam Fees - Rs. 1,000 + 18% GST
Duration – 72 Hours
Mode of Class – Online
** Special Discount for Corporate*

ADVANCED CERTIFICATE COURSE ON GST

Course Fee - Rs. 14,000 + 18% GST
*20% Discount for Members, CMA
Final Passed Candidates and
CMA Final pursuing Students*

Exam Fees - Rs. 1,000 + 18% GST
Duration – 40 Hours
Mode of Class – Online

CRASH COURSE ON GST FOR COLLEGE AND UNIVERSITY

Batch Size – 50 (Minimum)

Eligibility criterion - B.COM/B.B.A pursuing or completed
M.COM/M.B.A pursuing or completed

Course Fee - Rs. 1,000 + 18% GST
Exam Fees - Rs. 200 + 18% GST
Course Duration - 32 Hours

For enquiry about courses, mail at – trd@icmai.in

E-PUBLICATIONS OF TAX RESEARCH DEPARTMENT

Impact of GST on Real Estate	Handbook on GST on Service Sector
Insight into Customs - Procedure & Practice	Handbook on Works Contract
Input Tax Credit & In depth Discussion	Handbook on Impact of GST on MSME Sector
Exemptions under the Income Tax Act, 1961	Insight into Assessment including E-Assessment
Taxation on Co-operative Sector	Impact on GST on Education Sector
Guidance Note on GST Annual Return & Audit	Addendum_Guidance Note on GST Annual Return & Audit
Sabka Vishwas-Legacy Dispute Resolution Scheme 2019	An insight to the Direct Tax- Vivad se Vishwas Scheme 2020
Guidance Note on Anti Profiteering	International Taxation and Transfer Pricing
Advance Rulings in GST	Handbook on E-Way Bill

For E-Publications, Please visit Taxation Portal -
<https://icmai.in/TaxationPortal/>

TAXATION COMMITTEES - PLAN OF ACTION

Proposed Action Plan:

1. Successful conduct of Certificate Course on GST.
2. Publication and Circulation of Tax bulletin (both in electronic and printed formats) for the awareness and knowledge updation of stakeholders, members, traders, Chambers of Commerce, Universities.
3. Publication of Handbooks on Taxation related topics helping stakeholders in their job deliberations.
4. Carry out webinars for the Capacity building of Members - Trainers in the locality to facilitate the traders/ registered dealers.
5. Conducting Seminars and workshops on industry specific issues, in association with the Trade associations/ Traders/ Chamber of commerce in different location on practical issues/aspects associated with GST.
6. Tendering representation to the Government on practical difficulties faced by the stakeholders in Taxation related matters.
7. Updating Government about the steps taken by the Institute in removing the practical difficulties in implementing various Tax Laws including GST.
8. Facilitating general public other than members through GST Help-Desk opened at Head quarter of the Institute and other places of country.
9. Introducing advance level courses for the professionals on GST and Income Tax.
10. Extending Crash Courses on Taxation to Corporates, Universities, Trade Associations etc.

Disclaimer:

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