

NOVEMBER 2019

# Lunawat Bulletin

## Market Watch

Sensex

31.10.2019 **40129.05**

30.09.2019 **38667.33**

Nifty

31.10.2019 **11877.45**

30.09.2019 **11474.45**

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**Lunawat & Co.**  
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## April-Sept fiscal deficit reaches 92.6 per cent of FY20 target

Fiscal deficit for the period April-Sept reached 92.6 percent of FY20 target. The govt had kept the fiscal deficit target at 3.3 per cent of GDP for the current fiscal. Total spending for these six months was recorded at Rs 14.89 lakh crore while the total receipts for the same period stood at Rs 8.37 lakh crore.

Net tax mop up for the six months stood at Rs 6.07 lk cr while the non-tax revenue came in at Rs 2.09 lk cr for the same period. The revenue deficit for the same period stood at 4.85 Lakh Crore.

## After Market: Yes Bank, SBI on a high, midcaps outperform; 80 stocks hit 52-week highs

Yes Bank NSE share saw a big rally, jumping as much as 35 per cent, before settling with gains of 24 per cent after the private lender received an interest from a global investor to buy a stake. PSU bank stocks also logged solid gains, with SBI rising nearly 8 per cent and Central bank of India 12 percent.

Gains in IT stocks such as Infosys NSE and TCS led the benchmark indices higher, but losses in private banks kept the gains capped.

## Top American think tank warns India's growth is in barely positive territory

Other indicators show positive growth, but far below the 6 per cent benchmark that the World Bank and IMF project for the economy as a whole: the aggregate index of industrial production is up just 2.5 percent, the index of manufacturing output up just 2.1 percent, and receipts from the goods and services tax are up just 1.6 percent in real terms.

India's growth is in barely positive territory, a top American think tank has said, noting that several key indicators are not just slowing down, but in absolute decline. In a study, two scholars from the Centre for Global Development (CGD) examined new data and found further evidence that India's growth statistics may be worse than reported, and that IMF forecasts may have the same issues.

## EPFO warns members against responding to fake calls, sharing personal information

EPFO has informed that they never ask their members to share their personal details such as Aadhaar, PAN, UAN or bank details, over the phone. It has further clarified that they also never call their members or subscribers to deposit any amount in any bank.

For Private Circulation Only

## Compliance Due Dates

Due Date	Related to	Particulars
07.11.2019 (Thursday)	<b>TDS (Income Tax)</b>	<ul style="list-style-type: none"> <li>Due date for deposit of Tax deducted/collected during the month of October 2019 for all corporate assesseees.</li> </ul>
10.11.2019 (Sunday)	<b>GST</b>	<ul style="list-style-type: none"> <li>Due date for filing GSTR-8 (to be filed by the by the e-commerce operators required to deduct TDS under GST for the m/o October 2019.</li> </ul>
11.11.2019 (Wednesday)	<b>GST</b>	<ul style="list-style-type: none"> <li>Due date of filling GSTR-1 for the month of October 2019.</li> </ul>
13.11.2019 (Friday)	<b>GST</b>	<ul style="list-style-type: none"> <li>Due date for filing GSTR-6 for the month of October 2019(to be filed by Input Service Distributor)</li> </ul>
14.11.2019 (Thursday)	<b>TDS (Income Tax)</b>	<ul style="list-style-type: none"> <li>Due date for issue of TDS certificate for tax deducted u/s 194-IA &amp; 194-IB in the month of October 2019.</li> </ul>
15.11.2019 (Friday)	<b>TDS (Income Tax)</b>	<ul style="list-style-type: none"> <li>Quarterly TDS certificate (in respect of tax deducted for payments other than salary) for the quarter ending October 30, 2019</li> </ul>
15.11.2019 (Friday)	<b>PF/ESIC</b>	<ul style="list-style-type: none"> <li>Last date of PF Payment for m/o October 2019.</li> <li>Last date of ESIC Payment for m/o October 2019.</li> </ul>
20.11.2019 (Wednesday)	<b>GST</b>	<ul style="list-style-type: none"> <li>Last date of Filing GSTR-3B for the month of October 2019.</li> <li>Last date for Filing GSTR-5 &amp; GSTR-5A for the month of October 2019 (to be filed by Non Residents)</li> </ul>
25.11.2019 (Monday)	<b>PF</b>	<ul style="list-style-type: none"> <li>PF Return filling for September 19 (including pension &amp; Insurance scheme forms.</li> </ul>
30.11.2019 (Saturday)	<b>TDS (Income Tax)</b>	<ul style="list-style-type: none"> <li>Due date for furnishing of challan-cum-statement in respect of tax deducted u/s 194-IA &amp; 194-IB for the month of October 2019.</li> <li>Due date for filing ITRs for assesseees of Jammu &amp; Kashmir and Ladakh</li> </ul>
30.11.2019 (Saturday)	<b>Company Law</b>	<ul style="list-style-type: none"> <li>Filing of Form AOC-4 and Form AOC-4 CFS (in case of Consolidated financial statements)</li> </ul>

## LIST OF HOLIDAYS

DATE	DAY	REGARDING
10.11.2019	Sunday	Milad-un-Nabi or Id-e- Milad
12.11.2019	Tuesday	Guru Nanak Jayanti

## Income Tax

### **CBDT Circular Clarifies Law On Set-Off Of Losses & MAT Credit Under Newly Inserted S. 115BAA**

The CBDT has vide Circular No. 29/2019 dated 2nd October 2019 clarified the law in respect of option exercised under section 115BAA of the Income-tax Act, 1961 inserted through The Taxation Laws (Amendment) Ordinance, 2019. The CBDT has stated that representations have been received from the stakeholders seeking clarification on issues relating to exercise of option under section 115BAA (a) Allowability of brought forward loss on account of additional depreciation; and (b) Allowability of brought forward MAT credit.

### **CBEC extended due date for income-tax returns and tax audit report to 30th November, 2019 in the union territory of Jammu and Kashmir and Union Territory of Ladakh.**

The CBDT has vide order under Section 119 of the Income-tax Act, 1961 dated 31ST October 2019 extended the 'due-date' for filing income-tax returns and tax audit report for AY 2019-20 from 31st October, 2019 to 30th November, 2019, in respect of all categories of income tax assessee in the union territory of Jammu and Kashmir and Union Territory of Ladakh.



### **Chief CIT Accuses CBDT Chief Of Pressure to Bury 'Sensitive Case'**

According to press reports, Ms. **Alka Tyagi**, the Chief Commissioner of Income-tax, Mumbai, has written a complaint to the Finance Minister alleging that Shri. **P. C. Mody**, the Chairman of the CBDT, gave her a "*shocking directive*" to bury a "*sensitive case*"

### **Hon'ble Supreme court in case of CIT vs. Odeon Builders Pvt. Ltd**

Held that Disallowance cannot be made solely on third party information without subjecting it to further scrutiny. The assessee has prima facie discharged the initial burden of substantiating the purchases through various documentation including purchase bills, transportation bills, confirmed copy of accounts and the fact of payment through cheques, & VAT Registration of the sellers & their Income Tax Return. The AO has also not provided a copy of the statements to the assessee, thus denying it opportunity of cross examination

### **Hon'ble Bombay High court in case of PCIT vs. Pat Commodity Services Pvt. Ltd**

Even if the Revenue's theory of the assessee having enabled the clients to claim contrived losses is correct, the Revenue had to bring on record some evidence of the income earned by the assessee in the process, be it in the nature of commission or otherwise. Adding the entire amount of doubtful transactions by way of assessee's additional income is wholly impermissible. The fate of the individual investors in whose cases the Revenue could have questioned the artificial losses is not known .

## Corporate Law

- MCA relaxes additional Fee & Extends Last Date for AOC-4, AOC(CFS), AOC-4(XBRL) upto 30.11.19 and MGT-7 upto 31.12.19
- MCA amends Schedule VII to add public funded entities to accept CSR funds
- MCA amends Companies (Accounts) Rules regarding Independent Directors
- MCA Notifies Companies (Creation and Maintenance of databank of Independent Directors) Rules 2019 - applicable from 1.12.2019
- MCA amends Companies (Appointment and Qualification of Directors) Rules for Independent Directors
- MCA amends Companies (Incorporation) Rules w.e.f. 16.10.2019
- MCA amends Companies (Cost Records and Audit) Rules, 2014 w.r.e.f. from 1st April 2018
- MCA relaxes additional Fee & Extends Last Date for CRA - 4 (Cost Audit Report) upto 31.12.2019
- MCA relaxes additional Fee & Extends Last Date for IEPF-1A upto 31.12.2019 & IEPF-2 upto 30.11.2019
- MCA notifies Indian Institute of Corporate Affairs (IICA) to create and maintain data bank for Independent Directors

## RBI

- It has been decided by the Monetary Policy Committee (MPC) to reduce the policy Repo rate under the Liquidity Adjustment Facility (LAF) by 25 basis points from 5.40 per cent to **5.15 per cent** w.e.f 04.10.2019
- It has been decided by the Monetary Policy Committee (MPC) to reduce the policy Repo rate under the Liquidity Adjustment Facility (LAF) by 25 basis points to **5.15 per cent** w.e.f 04.10.2019
- The Bank Rate is revised downwards by 25 basis points to **5.40 per cent** w.e.f 04.10.2019
- The policy repo rate under the Liquidity Adjustment Facility (LAF) has been reduced by 25 basis points to 5.15 per cent from 5.40 per cent w.e.f 04.10.2019
- With a view to expanding and deepening the digital payments ecosystem, it has been decided that all State/ UT Level Bankers Committees (SLBCs/ UTLBCs) shall identify one district in their respective States/ UTs on a pilot basis in consultation with banks and stakeholders. The identified district shall be allotted to a bank having significant footprint which will endeavour to make the district 100% digitally enabled within one year, in order to enable every individual in the district to make/ receive payments digitally in a safe, secure, quick, affordable and convenient manner.
- RBI Revised Proforma and Reporting of Bank / Branch details under the Central Information System for Banking Infrastructure (CISBI)

## GST

### Extension of last date for furnishing FORM GST CMP-08 for the quarter July-September 2019

As per notification no. 50/2019-Central Tax dated 24<sup>th</sup> October, 2019, the CG extends the last date of extend the last date for furnishing **FORM GST CMP-08** for the quarter July-Sept. 2019 till **22<sup>nd</sup> October, 2019**.

### Due date for furnishing of return in FORM GSTR-3B, GSTR-1(Quarterly & Monthly) for the months of October, 2019 to March, 2020.

Commissioner hereby extends the time limit for furnishing the details of outward supplies in FORM GSTR-1 (Monthly) and FORM GSTR-3B for the months of October, 2019 to March, 2019 till the eleventh and twentieth day of the month succeeding such month respectively. For FORM GSTR-1(Quarterly) due dates are as follows:

Quarter for FORM GSTR-1	Due Date for furnishing details
October, 2019 to December, 2019	31st January, 2020
January, 2020 to March, 2020	30th April, 2020

### Make filing of annual return in FORM GSTR-9 for F.Y. 2017-18 and 2018-19 optional for small taxpayers whose aggregate turnover is less than Rs 2 crores and who have not filed the said return before the due date.

### Clarification issued by CBIC on GST on license fee charged by the States for grant of Liquor licences to vendors

Services proved by the Government to business entities including by way of grant of privileges, licences, mining rights, natural resources such as spectrum etc. against payment of consideration in the form of fee, royalty etc. are taxable under GST

### CG issued a circular for specifying the procedure for claiming refund in FORM GST RFD-01 subsequent to favourable order in appeal or any other forum

### CG issued a circular for specifying eligibility to file a refund application in FORM GST RFD-01 for a period and category.

## Presentations

During October 2019, **CA Pramod Jain** gave following presentations:

- “Tax Rates in Taxation Laws Amendment Ordinance 2019 & representations during assessments” organised by Vikas Marg CA Study Circle of NIRC of ICAI
- “Tax Rates in Taxation Laws Amendment Ordinance 2019” organised by District Centre Janakpuri CPE Study Circle of NIRC of ICAI
- “Taxation of LLP and Partnerships” organised by District Centre Janakpuri CPE Study Circle of NIRC of ICAI
- “Critical issues in Audit Reports” organised by Shalimar Bagh CPE Study Circle of NIRC of ICAI
- “Overview of Tax audit and Taxation of LLP & Partnerships” organised by Borivali (Central) CPE Study Circle of WIRC of ICAI

- “Taxation of LLP and Partnerships” organised by Indore Indore Branch of CIRC of ICAI
- “Critical Issues in Tax Audit including S. 44AD / 44ADA” organised by Ratlam Branch of CIRC of ICAI
- “Income Tax and Company Financial Audits” organised by Dwarka CPE Study Circle of NIRC of ICAI

During October 2019, **CA Rajesh Saluja** gave following presentations:

- “Interest, Penalties & Fees under GST” organised by NIRC Study Circle of ICAI
- “Financial Acumen” at MSIL, Gurgaon
- “Time of supply under GST” at GST Certification Course by ICAI

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