

AUGUST  
2020

# LUNAWAT BULLETIN

**LUNAWAT & CO**  
**CHARTERED ACCOUNTANTS**  
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# MARKET WATCH

Sensex : 31/07/2020 : **37606.89**  
30/06/2020 : **34915.80**

Nifty : 31/07/2020 : **11073.45**  
30/06/2020 : **10302.10**

## AROUND THE GLOBE

### RBI LIKELY TO LEAVE REPO RATE UNCHANGED IN AUGUST POLICY MEET: SBI REPORT

The Reserve Bank of India is likely to leave repo rate unchanged in the upcoming policy review meeting and the Monetary Policy Committee may look for "unconventional policy measures" to ensure financial stability, says a report. The Monetary Policy Committee (MPC), headed by RBI Governor, is scheduled to meet for three days beginning August 4 and will announce its decision on August 6.

"We believe an August rate cut is unlikely. We believe that the MPC could now well debate what further unconventional policy measures could be resorted to in the current circumstances to ensure financial stability is continued to be addressed," an SBI research report- Ecowrap said.

### AIB TO STEP UP LENDING IN INDIA; PLANS TO APPROVE LOANS WORTH USD 3 BILLION IN NEXT 12 MONTHS

As part of its effort to improve connectivity, Beijing-based multilateral funding agency AIB is looking to provide loans worth USD 3 billion for various large infrastructure projects, including Delhi and Meerut Rapid Rail, Mumbai Metro Rail and Chennai Peripheral Ring Road project, over the next 12 months. India is the largest borrower, which accounts for 25 per cent of the total lending by Asian Infrastructure Investment Bank (AIB) so far, the bank's vice president D J Pandian told in an interview.

As of July 16, 2020, AIB has approved up to USD 19.6 billion for 87 projects in 24 economies. Since its inception in 2016, AIB has approved loans to the tune of USD 4.3 billion across 17 projects in India.

### DISPUTE UP A NOTCH: WTO SETS UP 2 MORE DISPUTE PANELS AGAINST INDIA'S IMPORT DUTIES

The World Trade Organisation (WTO) on 29.07.2020 set up two more dispute settlement panels at the request of Japan and Taiwan targeting the import duties imposed by India on Information and Communication Technology (ICT) products including mobile phones, taking the total number of panels on the issue to three. However, New Delhi said it would not agree to the establishment of a single panel to review the complaints of Japan, Taiwan and the EU since there were vast differences in the three complaints. "While Japan has cited 39 distinct measures in its complaint, the EU and Chinese Taipei have given 6 measures," said a Geneva-based official.

### TWO SIDES OF THE SAME CRISIS: STOCK MARKETS AND REAL ECONOMY

The stock market recovery to near pre-Covid levels comes despite no improvements in the economic or health prospects for the country. In fact, the complete extent of the impact of Covid on the real economy have not even been realised. And this decoupling of the capital markets with the real economy is being witnessed globally. The US stock markets that had initially dropped by about 34 per cent between mid-February and March, have recovered by over 43 per cent since then. This has occurred despite the US officially entering a recession in February for the first time since the Great Depression. Clearly, stock markets are not a reflection of the economic situation by any standards. But the pace of recovery this time has been astounding. Even in the 2008 crisis, the Indian stock markets took an entire year to reach pre-crisis levels.

# COMPLIANCE DUE DATES

Due Date	Related to	Particulars
03.08.2020 (Tuesday)	GST	<ul style="list-style-type: none"> <li>Last date of filing GSTR-1 for Quarter April to June 2020 ( Person having aggregate turnover upto Rs 1.5 crore for all states.)</li> </ul>
05.08.2020 (Wednesday)	GST	<ul style="list-style-type: none"> <li>Last date of filing GSTR-1 for the month of June 2020 ( Person having aggregate turnover more than Rs 5 crore for all states.)</li> </ul>
07.08.2020 (Friday)	TDS/TCS (Income Tax)	<ul style="list-style-type: none"> <li>Due date for deposit of Tax deducted by an office of the government for the month of July 2020.</li> </ul>
11.08.2020 (Tuesday)	GST	<ul style="list-style-type: none"> <li>Last date of filing GSTR-1 for July, 2020 ( Person having aggregate turnover Rs 5 crore or more for all states.</li> </ul>
14.08.2020 (Friday)	TDS/TCS (Income Tax)	<ul style="list-style-type: none"> <li>Due date for TDS Certificate in respect of tax deducted under section 194-IA, 194-IB &amp; 194M in the month of June, 2020.</li> </ul>
15.08.2020 (Saturday)	TDS/TCS (Income Tax)	<ul style="list-style-type: none"> <li>Quarterly TDS certificate (in respect of tax deducted for payments other than salary) for the quarter ending June 30, 2020.</li> <li>Quarterly TDS/TCS certificate in respect of tax deducted/collected by any person for the Q-4 for FY 2019-20.</li> <li>Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of July, 2020 has been paid without the production of a challan</li> </ul>
15.08.2020 (Saturday)	ESI/EPF	<ul style="list-style-type: none"> <li>Due date for deposit of ESI/PF contribution for the month of July 2020.</li> </ul>
20.08.2020 (Thursday)	GST	<ul style="list-style-type: none"> <li>Last date of filing GSTR-3B for July, 2020 ( Person having aggregate turnover Rs 5 crore or more for all states).</li> <li>Due Date of filing of GSTR-5A for the month of June 2020 (To be filed by the Non-Resident taxable person &amp; OIDAR).</li> </ul>
30.08.2020 (Thursday)	TDS/TCS (Income Tax)	<ul style="list-style-type: none"> <li>Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, 194-IB &amp; 194M in the month of June, 2020.</li> </ul>
31.08.2020 (Monday)	GST	<ul style="list-style-type: none"> <li>Due Date of filing of GSTR-4 for the Financial Year ending 31st March 2020.</li> <li>Due date of filing GSTR-5,6,7 and 8 for the month of Mar to July 2020.</li> </ul>
12.09.2020 (Saturday) & 15.09.2020 (Tuesday)	GST	<ul style="list-style-type: none"> <li>Last date of filing GSTR-3B for May 2020 (Person having aggregate turnover less than Rs 5 crore for Notified States/UTs)</li> </ul>

## LIST OF HOLIDAYS

DATE	DAY	REGARDING
03.08.2020	Monday	Raksha Bandhan
11.08.2020	Tuesday	Janmashtami
15.08.2020	Saturday	Independence Day
22.08.2020	Saturday	Ganesh Chaturthi
29.08.2020	Saturday	Muharram
31.08.2020	Monday	Onam

# INCOME TAX

## **CBDT AMENDS RULE 31A, FORM 26Q AND 27Q TO ADD PARTICULARS ON WHICH TAX IS NOT DEDUCTED OR LOWER DEDUCTED AND S. 194N REPORTING**

- The amendment in **Rule 31A** makes it mandatory to "furnish particulars of amount paid or credited on which tax was not deducted or deducted at lower rate in view of the notification issued under second proviso to section 194N or in view of the exemption provided in third proviso to section 194N or in view of the notification issued under fourth proviso to section 194N".
- The income tax department has revised format of **Form 26Q and 27Q**, where details of TDS deducted and deposited on various resident and non-resident payments is required to be deposited.
- As per the recent amendment in **section 194N** of the Income Tax Act, 1961, rates and threshold have been revised for taxes to be deducted on cash payment from various accounts held with the Bank.

**CBDT amends Rules 31AA, 37CA, 37-I and Form 27EQ for TCS provisions and Rule 37BC for non-applicability of S. 206AA in case of TDS on dividend**

**CBDT gives one-time relaxation for Verification of tax-returns for AYs 2015-16 to 2019-20 which are pending due to non-filing till 30th September 2020**

**CBDT Extends Due Date for Filing Income Tax Returns for FY 2018-19 (AY2019-20) from 31st July, 2020 to 30th September, 2020, Vide Notification dated 29th July 31, 2020**

# CORPORATE LAWS

## THE MINISTRY OF CORPORATE AFFAIRS HAS NOTIFIED THE COMPANIES (INDIAN ACCOUNTING STANDARDS) AMENDMENT RULES, 2020

The Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amendment Rules, 2020. The Rules amend the Companies (Indian Accounting Standards) Rules, 2015. Amendments have been made to the following IndAS notified so far:

- IndAS 1 related to Presentation of Financial Statements
- IndAS 103 related to Business Combinations
- IndAS 107 related to Financial Instruments: Disclosures
- IndAS 109 related to Financial Instruments
- IndAS 116 related to Leases
- IndAS 8 related to Operating Segments
- IndAS 10 related to Events after the Reporting Period
- IndAS 34 related to Interim Financial Reporting
- IndAS 37 related to Provisions, Contingent Liabilities and Contingent Assets

## EXTENSION OF FILING OF FORM NFRA-2 FOR FY=2018-19

MCA extended the filing due date of the form NFRA - 2 and has clarified that the form NFRA 2 filing time limit of the time period from FY 2018-19 is now **270 starting from the date of deployment.**

It is to be noted that previously the MCA decided to grant 210 days from the date of deployment in filing the form NFRA 2 given in the 30th April circular. It is mandatory to submit the form under Rule 5 of the National Financial Reporting Authority (NFRA) Rules 2018.

Previously, the ministry had extended the last date for 150 days of submitting form NFRA 2. It is mandatory for all the prescribed auditors to file form NFRA 2 as per the National Financial Reporting Authority (NFRA) Rules 2018 of the National Financial Reporting Authority (NFRA).

**"The way i see it, if you want the rainbow, you gotta put up with the rain"**

# GOODS & SERVICES TAX

## FILING FORM GSTR-4 ANNUAL RETURN BY COMPOSITION TAXPAYERS ON GST PORTAL

With effect from 1st April, 2019, all Composition Taxpayers are required to file Form GSTR-4 Annual Return, on annual basis, for each financial year.

All registered taxpayers who have opted for composition scheme or were under composition scheme under GST, for any period during a financial year, starting from 01.04.2019, need to file Form GSTR-4 Annual Return, annually.

Please note that this Form GSTR-4 Annual Return is different from the Form GSTR-4 Quarterly Return, which was required to be filed on a quarterly basis.

Form GSTR-4 Quarterly Return is applicable up to tax period ending on 31st March, 2019, for composition taxpayers. For tax periods till the quarter ending March, 2019, Composition Taxpayers are required to file Form GSTR-4 Quarterly Return (which is also available on the GST portal), on quarterly basis. Whereas from 01.04.2019, composition taxpayers are required to file Form GST CMP 08, on quarterly basis.

## INTERIM MEASURE FOR FILING REVOCATION OF CANCELLATION ORDER IN APPEAL CHANNEL

In case your application for revocation of cancellation of registration was rejected by the tax authorities before 12/6/2020 and you wish to avail benefit of RoD order 01/2020 dated 25.06.2020, as an interim measure, you can request the appellate authority or the higher authority to pass a simple offline order on it for restoration of the application.

Based on such order, your jurisdictional authority can restore the application for revocation of cancellation. You need to apply post login:- Registration- Restore Registration- Restore Revocation. You have to enter ARN of the order and would require to upload scanned copy of the order passed after clicking "Appeal in favour".

## COMPANIES ALLOWED TO FILE FORM GSTR-3B/GSTR-1 USING EVC

GST Registered person who are also registered under the provisions of the Companies Act, 2013 are allowed to file Form GSTR-3B/GSTR-1 using EVC, vide Notification No. 48/2020 - Central Tax dated 19.06.2020 as follows:-

**Form GSTR-3B** -during the period from the 21st day of April, 2020 to the 30th day of September, 2020

**Form GSTR-1** - during the period from the 27th day of May, 2020 to the 30th day of September, 2020.

## FILING NIL FORM GSTR-3B AND GSTR-1 THROUGH SMS ON GST PORTAL

A taxpayer may now file NIL Form GSTR-3B and GSTR-1, through an SMS, apart from filing it through online mode, on GST Portal.

All the authorized representatives, for a particular GSTIN can file NIL Form GSTR-3B and GSTR-1 through SMS.

If more than one authorized representative/ signatory have the same mobile number registered on the GST Portal, such SMS requests will not be accepted for filing NIL Form GSTR-3B and GSTR-1. An SMS and e-mail will be sent on the e-mail and mobile number of the primary authorized signatory. In case, filer of NIL Form GSTR-3B and GSTR-1 is an authorized signatory, SMS will be sent to his/her mobile number also.

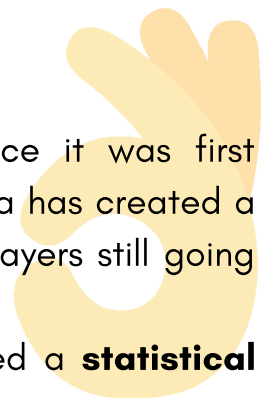
## GENERATION OF E-INVOICING

As per Notification No. 61/2020 dated 30.06.2020. CG increases the time limit for generation of e-invoicing to 500 Crores from 100 Crores and also include the SEZ units along with the insurer, banking company and Financial Institution including Non-banking Financial company, GTA, Passenger transport Service, person supplying services of admission to exhibition of Cinematograph films in Multiple Screens.

## STATISTICAL REPORT ON 3 YEARS OF GST

The Goods and Service Tax (GST) regime completes three years since it was first introduced on July 1, 2017. The biggest tax reform for indirect taxes in India has created a single market emulating international best practices, but hiccups for taxpayers still going on.

On completion of three years of GST implementation, GSTN has released a **statistical report**. PDF on the same shared on GST Portal.



**GST**  
Years of  
Commitment **3**



# LUNAWAT UPDATE

## PRESENTATIONS

**During July 2020 , CA Pramod Jain gave following presentations:**

- "Latest Critical issues in Company Law Including Deposits & MSME" made during Webinar organised by various branches of NIRC and CIRC of ICAI.
- "Section 195 - Form 15CA and 15CB" made during Webinar organised by Lucknow Branch of CIRC of ICAI
- "Critical issues in Finalization of Financial Statements of Pvt. Cos. for FY 2019-20 & Audit Report" made during Webinar organised by Pune Branch of WIRC of ICAI
- "Latest Changes in Income Tax, Dates changes, ITR changes and MSME Compliance" through Webinar organised by Professional Forum, Delhi and various branches of NIRC of ICAI.
- "Additional Evidence & Revised Grounds before CIT(A)" made during Refresher Course on Appeals organised by Direct Tax Committee of ICAI
- "Practical issues in Basic of Tax Audit" made during Webinar organised by Agra Branch of CIRC of ICAI

**During July 2020 , CA Rajesh Saluja gave following presentations:**

- 18th, 19th, 25th and 26th Webinar on "FFNF" for Grant Thornton LLP.
- 10th Webinar on "FFNF" for Roca MDP.

## OUR SERVICES

- Audit and Assurance
- International Taxation
- Indian Direct Tax Laws
- Goods and Service tax (GST)
- Corporate Laws
- Limited Liability Partnership (LLP)
- NGOs/Societies and Trusts
- Insolvency Professionals
- Compliance Audits
- Investigations
- Outsourcing Services
- Setting up Business in India
- Consulting Services
- Trainings
- Valuations
- XBRL
- Trade Marks



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