

OCTOBER
2020

LUNAWAT BULLETIN

LUNAWAT & CO
CHARTERED ACCOUNTANTS
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MARKET WATCH

Sensex : 30/09/2020 : **38067.93**
31/08/2020 : **38628.29**

Nifty : 30/09/2020 : **11247.55**
31/08/2020 : **11387.50**

AROUND THE GLOBE

RBI FIXES CENTRE'S WMA LIMIT AT RS 1.25 LAKH CRORE FOR SECOND HALF OF FY 2020-21

The Reserve Bank of India (RBI) set the ways and means advances (WMAs) limit at Rs 1.25 lakh crore for the central government for the second half of the fiscal year. This may trigger fresh floatation of market loans when the government utilises 75 per cent of the WMA limit. The interest rate on WMA is equal to the repo rate and on overdraft, it is two per cent above the repo rate. The current repo rate is 4 per cent.

GOVT TO IMPOSE 5% CUSTOMS DUTY ON OPEN CELL TELEVISION PANEL IMPORTS FROM OCTOBER 1

The government will impose a basic customs duty of 5% on open cell television panel imports from October 1, the Central Board of Indirect Taxes and Customs (CBIC) notified. The levy has been implemented despite repeated requests from the industry to defer it. The government aims to foster domestic manufacturing of open cells for televisions in India through this move, as it promotes the Atmanirbhar Bharat program.

AT RS 40,072 CR, GOVT'S EXTERNAL FINANCING JUMPS 5-TIMES TILL AUGUST: CARE RATINGS

External financing of the government has jumped nearly five times over the previous year's figure at Rs 40,072 crore during the first five months of the current fiscal, according to an analysis of the fiscal deficit numbers by Care Ratings. At Rs 40,072 crore, the external financing of government debt is a whopping 867 per cent of the budget estimate for the full year. This is around 5 per cent of the total borrowings as 95 per cent of deficit financing is met through domestic sources, mainly market borrowings.

UPI TRANSACTIONS AT RS 3.29 LAKH CRORE IN SEPTEMBER

The Unified Payments Interface (UPI) transactions stood at Rs 3.29 lakh cr in September with number of transactions at 180 cr, as per the NPCI data. The transactions were higher by over 10 per cent from Rs 2.98 lakh cr in August. Volume wise, it grew nearly 12 per cent month-on-month. In August, the transactions were of Rs 1,712.58 cr (9.68 cr in volume). Through the IMPS mode of payment, transactions in September rose to Rs 2.48 lakh cr from Rs 2.35 lakh cr in August. The number of transactions grew to 27.96 cr from 24.61 cr.

COMPLIANCE DUE DATES

Due Date	Related to	Particulars
01.10.2020 & 03.10.2020	GST	· Last Date of filling GSTR-3B for august 2020 is notified states whose turnover in prev. FY is below less than 5cr.
07.10.2020 (Wednesday)	TDS/TCS (Income Tax)	· Due date for deposit of tax deducted/collected for the month of September, 2020 . · Due date for deposit of TDS for the period July 2020 to September 2020 for assessee depositing TDS on quarterly basis.
10.10.2020 (Saturday)	GST	· Last Date of Filling of GSTR-7 For TDS Deductor of September 2020 · Last Date of Filling of GSTR-8 For TCS Collector of September 2020
13.10.2020 (Tuesday)	GST	· Last Date of filling of GSTR-6 for input service distributor of September 2020
15.10.2020 (Thursday)	TDS/TCS (Income Tax)	· Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of September, 2020 · Due date for issue of TDS Certificate for tax deducted under <u>section 194-IA</u> , 194IB & 194M in the month of August, 2020 · Quarterly statement of TCS deposited for the quarter ending September 30, 2020
20.10.2020 (Tuesday)	GST	· Last Date of filling GSTR-3B for September 2020 is notified states whose turnover in prev. FY is 5cr or above. · Last Date of filling of GSTR-5(Non-resident Foreign tax payer) of September 2020 · Last Date of filling of GSTR-5(Non-resident OIDAR service provider) of September 2020
30.10.2020 (Friday)	TDS/TCS (Income Tax)	· Due date for furnishing of challan-cum-statement in respect of tax deducted under <u>section 194-IA</u> , 194-IB & 194 M in the month of September, 2020 · Quarterly TCS certificate (in respect of tax collected by any person) for the quarter ending September 30, 2020 · Quarterly statement of TDS deposited for the quarter ending September 30, 2020 · Quarterly return of non-deduction of tax at source by a banking company from interest on time deposit in respect of the quarter ending September 30, 2020

COMPLIANCE DUE DATES

Due Date	Related to	Particulars
30.10.2020 (Wednesday)	MCA	<ul style="list-style-type: none"> Due date for filing of Form MSME-1 (half yearly i.e. for the period April- September) as the benefit of Immunity under CFSS-2020 not Available to MSME-I Due date for filling of LLP Form No.8 - for Statement of Account & Solvency.
31.10.2020 (Thursday)	Income Tax	<ul style="list-style-type: none"> Audit report under section 44AB for the assessment year 2020-21 in the case of an assessee who is also required to submit a report pertaining to international or specified domestic transactions under section 92E Report to be furnished in Form 3CEB in respect of international transaction and specified domestic transaction Due date for filing of audit report under section 44AB for the assessment year 2020-21 in the case of a corporate-assessee or non-corporate assessee Application in Form 9A for exercising the option available under Explanation to section 11(1) to apply income of previous year in the next year or in future Statement in Form no. 10 to be furnished to accumulate income for future application under section 10(21) or 11(1)
31.10.2020 (Thursday)	GST	<ul style="list-style-type: none"> Last Date of Filling of GSTR-9 annual Return for FY 2018-19 Last Date of Filling of GST audit Form 9C for FY 2018-19

- As per CBDT ordinance dated 31st March 2020, read with amendment notification dated 24th June 2020, all due dates of income tax due for compliance or completion by 31st December 2020, have been extended to 31st March 2021.

LIST OF HOLIDAYS

DATE	DAY	REGARDING
02.10.2020	Friday	Gandhi Jayanti
25.10.2020	Sunday	Dussehra
31.10.2020	Saturday	Maharishi Valmiki's Birthday

INCOME TAX

- CBDT has further extends due date of filing belated and revised ITRs for AY 2019-20 from 30.9.2020 to 30.11.2020
- CBDT issues important circular to clarify and exempt certain transactions from provisions of TDS u/s 194-O and TCS u/s 206C(1H) which are to be effective from 1.10.2020.
- CBDT has amended notification no. S.O. 2753 (E) dated the 22nd October, 2014 related to jurisdiction of officers u/s 120.
- The ITAT has issued a directive dated 17th September 2020 stating that as several court functioning days of the ITAT have been lost in the year 2020 due to the ongoing pandemic situation and the nation-wide lockdown, the remaining period of the bench non-sitting days during the Calendar year 2020 may be treated as cancelled with immediate effect.
- ITAT Disposed Off 5000+ Cases (In 5 Months) Through Video Conferencing During COVID-19 Pandemic

CBDT PRESS RELEASES

- dated 26th September 2020 stating that there is no requirement of scrip wise reporting for day trading and short-term sale or purchase of listed shares.
- To clarify certain issues on TCS u/s 206C(1H) applicable w.e.f. 1st October 2020- Finance Act, 2020 amended provisions relating to TCS with effect from 1st October, 2020 to provide that seller of goods shall collect tax @ 0.1 per cent (0.075% up to 31.03.2021) if the receipt of sale consideration from a buyer exceeds Rs. 50 lakh in the financial year. Further, to reduce the compliance burden, it has been provided that a seller would be required to collect tax only if his turnover exceeds Rs. 10 crore in the last financial year. Moreover, the export of goods has also been exempted from the applicability of these provisions.

FACELESS INCOME TAX APPEALS

- The Income Tax Department has launched the Faceless Income Tax Appeals.that all Income Tax appeals will be finalized in a faceless manner under the faceless ecosystem with the exception of appeals relating to serious frauds, major tax evasion, sensitive & search matters, International tax and Black Money Act.

SOME MORE UPDATES

- CBDT notifies Income Tax Authorities for Regional Faceless Appeal Centres (RFAC) & National Faceless Assessment Centre (NFAC) for Faceless Appeal Scheme 2020 it shall exercise the powers and perform functions, in order to facilitate the conduct of Faceless Appeal Proceedings.
- CBDT notifies ACIT or DCIT of NeAC at Delhi to be the prescribed IT Authority for issuance of notice u/s 143(2) under Faceless Assessment Scheme 2020 w.e.f. 13th August 2020
- CBDT notifies the exemptions to Faceless Appeal Scheme 2020 —In exercise of the powers conferred by sub-section (6B) of section 250 of the Income-tax Act, 1961 (43 of 1961), the Central Government have make the Scheme

CBDT has lay the down the compulsory selection of ITRs for scrutiny during FY 2020-21.

MOF Tables the Taxation and other Laws (Relaxation and Amendment of certain Provisions) Bill 2020 before Lok Sabha.

CBDT amends Rule 29B and substitutes Form 15C to add insurer to apply for lower TDS u/s 195 of the Income Tax Act 1961.

"You have got to tell your money what to do or it will leave"

CORPORATE LAWS

MCA EXTENDS DUE DATES TILL 31.12.2020

- MCA extends Companies Fresh Start Scheme, 2020 for 3 months i.e. till 31.12.2020 for providing relaxation in time for several forms.
- MCA extends LLP Settlement Scheme 2020 till 31.12.2020. The scheme was a one-time waiver of additional filing fees for delayed filings by the LLPs with the Registrar of Companies during the period starting from 1st April, 2020 and ending on 30th September, 2020. The same has now been extended to 31st December, 2020.
- MCA extends Scheme for relaxation of time for filing forms related to creation or modification of charges till 31.12.2020. Filing of forms related to creation or modification of charges under the Companies Act 2013 was earlier provided till 30th September, 2020. The same has now been extended to 31st December, 2020.
- MCA extends EGM through Video Conference (VC) or Other Audio Visual Means (OAVM) or passing of certain items only through postal ballot without convening general meeting till 31.12.2020.
- The last date for registration of details of Independent Directors in the ID Data Bank was extended upto 30th September, 2020. The same has now been extended to 31st December, 2020.

Companies (Amendment) Act 2020 as assented by Hon'ble President of India on 28th September 2020.

Due date for filing of Form MSME-1 (half yearly i.e. for the period April- September) is 30.10.2020 as the benefit of Immunity under CFSS-2020 not Available to MSME-I.

CORPORATE LAWS

MCA EXPANDS CSR ACTIVITIES AMBIT:

Schedule VII (IX) : (a) for Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; (b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs) to expand CSR Activities ambit.

SOME MORE UPDATES

MCA amends CSR Policy Rules to allow Research & Development Activities by Companies in ordinary Course of business as CSR Activities

MCA amends Companies (Acceptance of Deposit) Rules 2014 to make amendments for Start-ups as per DIPP amended notification

ROC (Delhi & Haryana) extends due date of AGM by 3 months for other than 1st AGM. Extensions would be ROC-wise. Similar extensions given by other ROCs too.

GOODS & SERVICES TAX

INVOICING ON GOODS SENT OR TAKEN ON APPROVAL OR RETURN BASIS OUTSIDE INDIA

In the case of good being send or taken on approval for sale & return (outside India) & due date of invoicing of such sale or return falls during the period from the 20th day of March, 2020 to the 30th day of October, 2020, and completion or compliance thereof has not been made., The time limit for the same shall be extended up to the 31st day of October, 2020

DUE DATE FOR COMPLIANCE UNDER SECTION 171 EXTENDED

Where all the liable person under section 171 of CGST Act , due date of anti-profitable measure which falls during the period from 20th march 2020 to 29th November 2020 and the compliance of such action has not been furnish within time as prescribed. The time limit for compliance of shall be extended up to the 30th day of November, 2020.

The Central Board of Indirect Taxes and Customs further amends the Central Goods and Services Tax Rules, 2017 with the Central Goods and Services Tax (Eleventh Amendment) Rules, 2020

REDUCTION OF LATE FEE IN GSTR 4 AND GSTR 10

Return	Nature	Return Period	Extended Due Date of period	Maximum Late Fees
GSTR - 4	If filed by a composition dealer.	July 2017 to March 2020	22 nd September 2020 to 31 st October 2020	250 (of CGST)& 250 (of SGST) Per return
GSTR-10	It must be filed within three months from the date of cancellation or date of cancellation order whichever is later	-	22 nd September to 31 st December 2020	250 (of CGST) & 250 (of SGST) Per return

LUNAWAT UPDATE

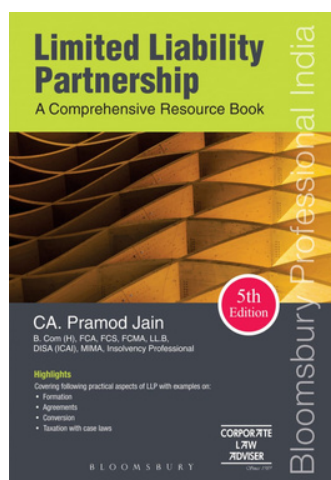
Presentations:

During September 2020 , CA Pramod Jain gave following presentations:-

- Valuation of Shares under Income Tax made during Webcast,organised by Valuation Standards Board of ICAI and CPE Program of ICAI-RVO.
- Faceless Assessment & DT Vivad Se Vishwas Scheme made during Webinar organised by Karnal Branch of NIRC of ICAI .
- Issues in Tax Audit and Documentation made during Webinar organised by Telangana and Andhra Pradesh Tax Bar Association .
- Commonly Found Errors in Tax Audit made during Webinar organised by Sangli Branch of WIRC of ICAI and Hyderabad Branch of SIRC of ICAI.
- Critical issues in Finalization of Financial Statements for FY 2019-20 & Audit Report made during Webinar organised by Agra Branch of CIRC of ICAI .
- Practical Aspects of Tax Audit made during Webinar organised by Manglam Group, Delhi.
- TCS - S. 206C(IH) made during Webinar organised by KGCA, Khanna, Punjab .
- Faceless Assessment Scheme 2019 made during Webinar organised by Vijaywada Branch of SIRC of ICAI and Varanasi Branch of CIRC of ICAI.
- Practical Aspects of Tax Audit made during Webinar organised separately by various branches of NIRC, WIRC and CIRC of ICAI.

During September 2020 , CA Rajesh Saluja gave following presentations:

- Webinar on "Fundamental of Finance" for Indofil Agrochemicals Ltd.



CA Pramod Jain authored
the 5th Revised edition of the
Book: 'Limited Liability
Partnership - A Comprehensive
Resource Book'

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