

LUNAWAT BULLETIN

LUNAWAT & CO
CHARTERED ACCOUNTANTS
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WHAT'S INSIDE?

Around the Globe	1
Compliance Due Dates	2
Income Tax	3
Corporate Laws	4
Goods & Services Tax	5-6
Lunawat Update	7

MARKET WATCH

Sensex : 31/10/2020 : **39614.07**
30/09/2020 : **38067.93**

Nifty : 31/10/2020 : **11642.40**
30/09/2020 : **11247.55**

AROUND THE GLOBE

ANDHRA PRADESH GOVERNMENT'S BORROWINGS FOR FIRST HALF OF 2020-21 FISCAL FAR EXCEEDED REVENUES

The revenue deficit touched a staggering Rs 45,472.77 crore, according to the state finance accounts released by the Comptroller and Auditor General. It said the state borrowed Rs 55,169.84 crore from different sources in the first six months as against Rs 48,295.59 crore target for the entire fiscal. The revenue accruals, on the other hand, were just 27.73 per cent at Rs 44,915.52 crore in the first half out of the targeted Rs 1,61,958.50 crore for the year.

LENDING INSTITUTIONS TO GIVE CASHBACK AFTER GOVERNMENT ANNOUNCES WAIVER OF INTEREST

The government waived interest on interest for loans up to Rs 2 crore irrespective of whether moratorium was availed or not. The Department of Financial Services came out with operational guidelines in the backdrop of the Supreme Court's direction to implement the interest waiver scheme, which is likely to cost the exchequer Rs 6,500 crore. The scheme can be availed by borrowers in specified loan accounts for a period from March 1 to August 31, 2020.

FINANCIAL CONDITIONS IN INDIA HAVE RECOVERED SIGNIFICANTLY AFTER HITTING THE ABYSS IN APRIL: CRISIL

CRISIL launched a new financial conditions index showing India's financial conditions have eased and are the best seen in two years, owing to RBI's sharp rate cuts & unconventional measures. But some pockets still have tighter conditions than their long-term averages, particularly credit growth, higher corporate bond spreads over G-Secs, which could delay transmission of policy rates. Crisil's financial condition index which turned negative since the crisis at IL&FS has started improving. Crisil chose to launch this index because with the pandemic resulting in one of the biggest recessions, the functioning of the financial sector becomes critical - not only for its role of supporting borrowers, but also for policy implementation.

INDIA'S APRIL-SEPT FISCAL DEFICIT AT RS 9.1 LAKH CRORE

India's fiscal deficit stood at Rs 9.1 lakh crore halfway through this financial year, exceeding the full-year target of Rs 7.96 lakh crore by almost 15%, according to official data released. With the government already having increased its market borrowing target for the year to Rs 12 lakh crore from Rs 7.8 lakh crore stated in the budget, the indications are that it will breach the fiscal deficit target of 3.5% of GDP.

COMPLIANCE DUE DATES

Due Date	Relates to	Particulars
07.11.2020 (Wednesday)	TDS/TCS (Income Tax)	<ul style="list-style-type: none"> Due date for deposit of tax deducted/collected for the month of Oct, 2020 .
10.11.2020 (Saturday)	GST	<ul style="list-style-type: none"> Last Date of filling of GSTR-7 For TDS Deductor of Oct, 2020 Last Date of filling of GSTR-8 For TCS Collector of Oct, 2020
11.11.2020 (Sunday)	GST	<ul style="list-style-type: none"> Last Date of filling GSTR-1 for Oct, 2020 in notified states whose turnover in prev. FY is 5cr or above
13.11.2020 (Tuesday)	GST	<ul style="list-style-type: none"> Last Date of filling of GSTR-6 for input service distributor of Oct, 2020
14.11.2020 (Wednesday)	TDS/TCS (Income Tax)	<ul style="list-style-type: none"> Due date for issue of TDS Certificate for tax deducted under section 194-IA, section 194-IB and section 194M in the month of Sept, 2020.
15.11.2020 (Thursday)	TDS/TCS (Income Tax)	<ul style="list-style-type: none"> Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of Oct, 2020 has been paid without the production of a challan . 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 Oct, 2020
20.11.2020 (Tuesday)	GST	<ul style="list-style-type: none"> Last Date of filling GSTR-3B for Oct 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 Oct 2020 Last Date of filling of GSTR-5 (Non-resident OIDAR service provider) of Oct 2020
22.11.2020 (Thursday)	GST	<ul style="list-style-type: none"> Last Date of filling GSTR-3B for Oct 2020 is notified states whose turnover in prev. FY is less than 5cr (having principal place of business: Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands or Lakshadweep)
24.11.2020 (Saturday)	GST	<ul style="list-style-type: none"> Last Date of filling GSTR-3B for Oct 2020 is notified states whose turnover in prev. FY is less than 5cr (having principal place of business: Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha, the Union territories of Jammu and Kashmir, Ladakh, Chandigarh or Delhi)
30.11.2020 (Friday)	TDS/TCS (Income Tax)	<ul style="list-style-type: none"> Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, 194-IB & 194M in the month of Oct, 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 Sept 30, 2020 Due date of filling of Income tax return for the Financial year 2018-19 and revision thereof has been extended from 30.09.2020 to 30.11.2020.

INCOME TAX

FINANCE MINISTRY EXTENDS DUE DATE FOR FURNISHING OF INCOME TAX RETURNS AND AUDIT REPORTS FOR AY 2020-21:

- The due date for submission of various forms of audit report under income tax act for the taxpayers, for whom prior due date was 31st October, 2020, has been extended up to 31st December, 2020.
- The due date for furnishing of Income Tax Returns for the taxpayers who are required to get their accounts audited ,(including their partners)and who are required to furnish report in respect of international/specified domestic transactions has been extended from 30th November, 2020 to 31st January, 2021.
- The due date for furnishing of Income Tax Returns for the other taxpayers stands postponed to 31st December, 2020.

CBDT notifies variation limits for Transfer Pricing u/s 92C to be 1% in case of wholesale trading and 3% in case of others.

CBDT prescribed the Income Tax Authority for Survey u/s 133A superseding the order dated 18.09.2020.

ICAI issues checklist for Tax Audit under Section 44AB.

CBDT amends IT Rules for provisions related to Sec. 115BA, 115BAA, 115BAB, etc. for depreciation , Form 3CD(Tax Audit), Form 3CE and new forms for related options is inserted.

CG has extended the date for payment without additional amount under Vivad se Vishwas(VSV) from 31.12.2020 to 31.03.2021.

CORPORATE LAWS

RELAXATION FROM THE RESIDENCY REQUIREMENT OF 182 DAYS IN A YEAR IN VIEW OF COVID-19 OUTBREAK:

MCA clarifies that non-compliance of minimum residency in India for a period of at least 182 days in a year, by at least one director in every Company, under Section 149 of Companies Act, 2013 shall not be treated as non-compliance for the financial year 2020-2021 also.

MCA RELAXES THE PROVISIONS OF ALLOTMENT TO QIB

MCA amends Companies (prospectus and allotment of securities) amendment Rules 2020, henceforth, one Previous Special resolution passed per year shall be sufficient for all the allotments of any securities to Qualified Institutional buyers (QIB) during the year .

**“How many millionaires do you know who have become wealthy by investing in savings accounts? I rest my case.”
– Robert G. Allen**

LIST OF HOLIDAYS

Date	Day	Holiday
14/11/2020	Saturday	Diwali
15/11/2020	Sunday	Govardhan Puja
16/11/2020	Monday	Bhai Duj
30/11/2020	Monday	Guru Nanak Jayanti

GOODS & SERVICES TAX

THE NUMBER OF HSN DIGITS REQUIRED ON TAX INVOICE

With effect from the 01st day of April, 2021 as per CGST rule 2017 read with Integrated Tax shall every Registered person shall mention the required number of HSN digits while producing the invoice:

S.No	Aggregate Turnover in the preceding F.Y.	Number of Digits of Harmonised System of Nomenclature Code (HSN Code)
1.	Up to rupees five crores	4 digits
2.	more than rupees five crores	6 digits

DUE DATE FOR FURNISHING FORM GSTR-1:

The registered person shall furnish the detail of outward supply of goods and service or both in form GSTR-1 under CGST rule 2017 shall as follow:

S.No	Turnover	Type of form GSTR-1	Period for which details in FORM GSTR-1 are to be furnished	Due date for furnishing details in FORM GSTR-1
1.	Aggregate turnover up to 1.5 crore rupees (Quarterly)	Quarterly	Oct, 2020 to Dec, 2020	13 th Jan, 2021
			Jan, 2021 to Mar, 2021	13 th Apr, 2021
2.	Aggregate turnover more than 1.5 crore rupees	Monthly	Oct, 2020 to Mar, 2021	11 th day of the month succeeding such month

The Central Board of Indirect Taxes and Customs amends the CGST Rules 2017 via issuing Central Goods and Services Tax (Twelveth Amendment) Rules, 2020.

GOODS & SERVICES TAX

DUE DATE FOR FURNISHING FORM GSTR-3B:

Every registered person shall furnish the return in Form -3B under CGST rule 2017 and discharge his liability towards tax as per the said form as follows:

S.No	Turnover	Principal place of business	Due date for furnishing details in FORM GSTR-1
1.	Aggregate turnover up to 5 crore rupees	Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Kamataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands or Lakshadweep.	22 nd day of the month succeeding such month
2.		Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha, the Union territories of Jammu and Kashmir, Ladakh, Chandigarh or Delhi.	24 th day of the month succeeding such month

EXTENDED DUE DATE OF ANNUAL RETURN:

Type of return	Period	Due date
Annual return Form GSTR-9and GSTR-9C	F.Y- 2018-19	31 st December,2020

SPECIAL PROCEDURE FOR TAXPAYERS FOR ISSUANCE OF E-INVOICES DURING OCTOBER 2020

A Registered person preparing any tax invoice during the period of 1st to 31st October 2020 is required to follow the special procedure- the said persons shall obtain an Invoice Reference Number (IRN) for such invoice by uploading specified particulars in Form GST INV-01 on the GST Portal with in 30 days from such invoice date ,failing to comply with same shall tantamount to the same being not treated as invoice

LUNAWAT UPDATE

Presentations:

During September 2020 , CA Pramod Jain gave following presentations:

- Practical Aspects of Tax Audit made during numerous webinar organised by EIRC of ICAI, by CA Chapter Pathankot of NIRC of ICAI, Saharanpur & Muzaffarnagar Branches of CIRC of ICAI, organised by Bibrugarh & Tinsukhia Branches of EIRC, Ernakulam Branch of SIRC , ACAE Chartered Accountants' Study Circle of EIRC and Surat Branch of WIRC of ICAI.
- Commonly Found Errors in Tax Audit made during Webinar organised by TAQRB & DTC of ICAI
- Overview of Tax Audit including presumptive incomes u/s 44AD / 44ADA made during Webinar organised by Refresher Course on Tax Audit by Direct Tax Committee of ICAI
- Do's & Don'ts of Tax Audit made during Webinar organised by Pimpri Chinchwada Branch of WIRC of ICAI .
- Basics of Tax Audit made during Webinar organised by Chamber of Chartered Professionals, Delhi.
- Practical Aspects of Tax Audit s. 194-O& 206C(1H) made during webinar organised by Accountants Library, Kolkata
- Recent TDS and TCS issues and practical aspects made during Webinar organised by Patel Nagar CPE Study Circle of NIRC ,Sonepat Branch of NIRC of ICAI and by Meerut Branch of CIRC of ICAI
- Conversion into LLP and its Taxation made during Webinar organised by CIRC of ICAI
- Recent TDS and TCS issues & Faceless Appeal made during Webinar organised by Karnal Branch of NIRC of ICAI
- Overview of Tax Audit & Clauses 1 to 14 & 32 to 34 of Form 3CD made during Webinar organised by Bhartiya Vitta Salahakar Samiti (BVSS)
- Presentation on Financial Literacy for Directors made during Virtual Training organised by National Academy for Human Resource Development (NAHRD)

During October 2020 , CA Rajesh Saluja gave following presentations:

- 6th Webinar for students of Amity Global Business School, Noida.
- 24th Webinar on Financial Planning for BSES Yamuna.
- 27th Webinar on Interest & Penalties under GST for Tirivantapuram branch of SIRC of ICAI.

OUR SERVICES

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

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CONTACT US

Paschim Vihar, New Delhi

A-2/132, Prateek Apartments, Paschim Vihar,
New Delhi - 110 063

Tel: + 91 11 25278405, + 91 11 25278406, + 91 11 45581263, + 91 11 45581264

Email: pvoffice@Lunawat.com

Karampura, New Delhi

109, Magnum House-1, Karampura Complex,
New Delhi-110 015

Tel: + 91 11 41427356 + 91 11 42068101

Email: karampura@Lunawat.com

Keshopur, New Delhi

WZ-339, 2nd Floor, Street No. 19, Santgarh, Keshopur,
Outer Ring Road, New Delhi - 110 018

Tel: +91 11 28333914 Fax:+ 91 11 28331602

Email: keshopure@Lunawat.com

Mumbai

No. J/ 7, First Floor, Mangal Kunj, Opp. Jain Derasar,
Jambali Gali, Borivali (W) Mumbai - 400 092

Tel: + 91 93205 71421 + 91 98692 85628

Email: mumbai@Lunawat.com

Daryaganj, New Delhi

54, Daryaganj, New Delhi - 110 002

Tel: +91 11 23270624 + 91 11 23279414

Email: dgoffice@Lunawat.com

We also have ASSOCIATES at :

Amritsar, Ahmedabad, Bangalore, Chennai, Hyderabad, Kolkata, Cochin, Jaipur, Jodhpur,
Indore, Chandigarh, Panipat, Jalandhar, Allahabad, Lucknow, Pune, Bharatpur, Ranchi,
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Editorial Team: CA Vikas Yadav, CS Divya Khurana, Urvi Gupta,
Princy Sharma, Gopal Dixit