



Financial impact of COVID19

Insight on Press release on 24 Mar 2020

**STATUTORY AND REGULATORY
COMPLIANCE MATTERS**

Presented by Honourable Finance
Minister Ms. Nirmala Sitharaman



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Income Tax related changes

- Filing for FY 2018-19 extended to 30 June 2020 from 31 March 2020. Delayed payment interest reduced from 12% to 9%
- No extension from 30 April 2020 for deposit of TDS but delayed deposit of TDS will be reduced from 18% to 9% up to 30 June 2020
- Vivad se Vishwas scheme – payment extended to 30 June 2020 with no additional 10% payable
- Aadhar - PAN link extended to 30 June 2020 from 31 March 2020
- Returns under various acts extended to 30 June 2020 (only for those where the time limit is expiring between 20 March 2020 to 29 June 2020)



GST related changes

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- March, April and May 2020 GST returns and Composition returns extended to 30 June 2020 (Extn of February 2020 return is unclear as at date, however as per the twitter handle it is also extended)
The dates will be staggered between 26th and 30th June depending on Turnover and region.
 - For companies with \leq 5 crores turnover - No interest | No penalty | No late fee
 - For companies with $>$ 5 crores. Interest at 9% charged for delayed payment. No late fee and no penalty
 - Date for opting composition scheme and filing of return by CMP dealers extended to 30 June 2020
 - Customs and Central Excise “Sabka Vishwas” scheme extended to 30 June 2020. No interest will be levied for payments during this period.
 - Customs will be operating 24/7 as an essential service.



MCA related changes

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- MCA 21 registry there is a moratorium from 01 April 2020 to 30 September 2020. There will be no additional fees for late filings.
 - Board meetings relaxed for 60 days for first 2 quarters
 - CARO 2020 shall be made applicable from FY 2020-21 instead of FY 2019-20. So last year's (18-19)CARO will be applicable for 19-20
 - Independent directors who have not held even one meeting for FY 2019-20 will not be seen as a violation
 - For new companies - Commencemnt of Business certificate can be obtained within 12 months instead of 6 months
 - Director who not stayed for at least 182 days will no longer be a violation for the current year
 - Deadline for creating deposit reserves by April 2020 extended to June 2020
 - 15% of debentures maturing during the year in specified instruments extended from April 2020 to 30 June 2020



Financial services

- No additional charges for Debit card holders for cash withdrawal from any ATM for 3 months
- Waiver of minimum balance fee for all banks
- Reduced bank charges for digital transactions for all trade transactions



Other changes

IBC

- Threshold of default increased from 1 lakh to 1 crore and this is implemented straight away. In case the current situation continues the same way until 30 April 2020 then section 7, section 9 and section 10 will be suspended for 6 months

Fisheries

- Sanitary import permits which were to be expired between 01.03.2020 to 15.04.2020 will be extended by 3 months
- Delay up to 1 month on arrival of consignments will be condoned
- Rebooking of quarantined cubicles for cancelled consignments from Chennai will not attract additional charge
- Verification of documents and grant of NOC will be relaxed from 7 days to 3 days



THANK YOU

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