



**THE INSTITUTE OF
Company Secretaries of India**

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

(Under the jurisdiction of Ministry of Corporate Affairs)

Covid 19 - Regulatory Updates



VISION

"To be a global leader in promoting
good corporate governance"

ICSI Motto

सत्यं वद। धर्मं चर। इदं श्रेयं।
इदं श्रेयं। इदं श्रेयं। इदं श्रेयं।

MISSION

"To develop high calibre professionals
facilitating good corporate governance"

Connect with ICSI

www.icsi.edu | | Online Helpdesk : <http://support.icsi.edu>



***Initiatives
by
Supreme Court***

1) Suo Motu Writ Petition (Civil) No(s) 3/2020 by Supreme Court of India in Cognizance for Extension of Limitation, dated 23rd March, 2020

Supreme Court of India has taken Suo Motu cognizance of the situation arising out of the challenge faced by the country on account of COVID-19 Virus and resultant difficulties that may be faced by litigants across the country in filing their petitions/applications/suits/appeals/all other proceedings within the period of limitation prescribed under the general law of limitation or under Special Laws (both Central and/or State).

To obviate such difficulties and to ensure that lawyers/litigants do not have to come physically to file such proceedings in respective Courts/Tribunals across the country including this Court, the Supreme court ordered that a period of limitation in all such proceedings, irrespective of the limitation prescribed under the general law or Special Laws whether condonable or not shall stand extended w.e.f. 15th March 2020 till further order/s to be passed by this Court in present proceedings.

Supreme Court of India has exercised this power under Article 142 read with Article 141 of the Constitution of India and declared that this order is a binding order within the meaning of Article 141 on all Courts/Tribunals and authorities.

For more details, please click on <https://www.sci.gov.in/>



Initiatives
by
NCLAT / NCLT

National Company Law Appellate Tribunal

1) Withdrawn of Urgent Matters listed with NCLAT on 25th March and 01st April, 2020

In continuation of the Notice dated 20th March, 2020 on the above subject, it is further provided that in view of complete lockdown/shutdown, the Roster issued in regard to hearing of urgent matter/s on 25th March, 2020 and 1st April, 2020 is withdrawn. However, the concerned may contact Registrar telephonically for listing of urgent matter/s on any day before 1st April, 2020.

2) Extension of Limitation period for Filing of Appeals

The period of limitation for filing Appeal with this Appellate Tribunal shall stand extended with effect from 15th March, 2020 till further order/s in terms of the direction dated 23-03-2020 passed by Hon'ble Apex Court in Suo Motu Writ Petition (Civil) No(s).3/2020.

<https://nclat.nic.in/Useradmin/upload/7281701495e81d18e254d0.pdf>

3) Updates on Insolvency Law

Period of lockdown be excluded for the purpose of counting of the period for 'Resolution Process under Section 12 of the Insolvency and Bankruptcy Code, 2016 and any interim order/ stay order passed by Appellate Tribunal will be having the Continuous effect till the date of next hearing.

The NCLAT has taken suo moto cognizance of the unprecedented situation arising out of spread of COVID19 virus declared a pandemic. Having regard to the hardships being faced by various stakeholders as also the legal fraternity, which go beyond filing of Appeals/ cases, which has already been taken care of by the Hon'ble Apex Court by extending the period of limitation with effect from 15th March, 2020 till further order/s in terms of order dated 23rd March, 2020 in Suo Motu Writ Petition (Civil) No(s).03/2020, inasmuch as certain steps required to be taken by various Authorities under Insolvency and Bankruptcy Code, 2016 or to comply with various provisions and to adhere to the prescribed timelines for taking the 'Resolution Process' to its logical conclusion in order to obviate and mitigate such hardships, the Appellate Tribunal in exercise of powers conferred by Rule 11 of National Company Law Appellate Tribunal Rules, 2016 r/w the decision of this Appellate Tribunal rendered in "Quinn Logistics India Pvt. Ltd. vs. Mack Soft Tech Pvt. Ltd. in Company Appeal (AT) (Insolvency) No.185 of 2018" decided on 8th May, 2018 order as follows: -

- (1) That the period of lockdown ordered by the Central Government and the State Governments including the period as may be extended either in whole or part of the country, where the registered office of the Corporate Debtor may be located, shall be excluded for the purpose of counting of the period for 'Resolution Process under Section 12 of the Insolvency and Bankruptcy Code, 2016, in all cases where 'Corporate Insolvency Resolution Process' has been initiated and pending before any Bench of the National Company Law Tribunal or in Appeal before this Appellate Tribunal.
- (2) It is further ordered that any interim order/ stay order passed by Appellate Tribunal in anyone or the other Appeal under Insolvency and Bankruptcy Code, 2016 shall continue till next date of hearing.

4) **Appeal to NCLAT on matter under Companies Act, 2013**

Suo Moto - Company Appeal (AT) No. 01 of 2020 O R D E R 30.03.2020

The NCLAT has taken suo moto cognizance of the unprecedented situation arising out of spread of COVID19 virus declared a pandemic. Having regard to the hardships being faced by various stakeholders as also the legal fraternity, which go beyond filing of Appeals/ cases, which has already been taken care of by the Hon'ble Apex Court by extending the period of limitation with effect from 15th March, 2020 till further order/s in terms of order dated 23rd March, 2020 in Sua Motu Writ Petition (Civil) No(s).03/2020, inasmuch as certain steps required to be taken by various Authorities or to comply with various provisions under the Companies Act, 2013, the Appellate Tribunal in exercise of powers conferred by Rule 11 of National Company Law Appellate Tribunal Rules, 2016 order as follows: -

- (1) It is ordered that any interim order/ stay order passed by this Appellate Tribunal in anyone or the other Appeal under the Companies Act, 2013 shall continue till next date of hearing, which may be notified later.

5) **Competition Law**

NATIONAL COMPANY LAW APPELLATE TRIBUNAL NEW DELHI Sua Moto – Competition Appeal (AT) No. 01 of 2020 O R D E R 30.03.2020

The NCLAT has taken suo moto cognizance of the unprecedented situation arising out of spread of COVID19 virus declared a pandemic. Having regard to the hardships being faced by various stakeholders as also the legal fraternity, which go beyond filing of Appeals/ cases, which has already been taken care of by the Hon'ble Apex Court by extending the period of limitation with effect from 15th March, 2020 till further order/s in terms of order dated 23rd March, 2020 in Sua Motu Writ Petition (Civil) No(s).03/2020 inasmuch as certain steps required to be taken by various Authorities or to comply with the various provisions under the Competition Act, 2002, the Appellate Tribunal ordered as follows:

- (1) That interim direction / stay order passed in all competition Appeals shall continue until further order.
- (2) In the event of expiry of period of Fixed Deposits, the concerned bank shall renew the same for further period of six months.

<https://nclat.nic.in/Useradmin/upload/19900700725e79a182ce018.pdf>

6) **National Company Law Tribunal Notice, dated 22nd March, 2020**

In view of the lockdown announced by several State Governments and Central Government notifying affected districts due to COVID-19, it has been decided that:-

- (i) All NCLT benches shall remain closed from 23.3.2020 to 31.3.2020 for the purpose of judicial work, as to unavoidable urgent matters, on application by the aggrieved, through email to the registry NCLT Chennai after service of notice to the other side, Hon'ble Acting President sitting singly at Chennai will examine and pass necessary orders on Wednesday and Friday;

- (ii) Parties/counselors will not be provided making oral submissions. The NCLT discourages persons arriving to NCLT Chennai. Application shall be verified by the respective counsel through affidavit by mentioning their bar enrollment number, above process should not be abused. The application/communication shall be sent to Registrar NCLT Chennai email from email of respective counsel;
- (iii) As financial year is at closure therefore for administrative work Skeletal staff may attend the office as per decision of HOD of respective bench whenever required .Other staff will work from home and remain available on mobile phone;
- (iv) As regard to the IBC-2016 matters extension of time, approval of resolution plan and liquidation will not be construed as urgent matters. These matters will be taken up as soon as regular benches start functioning, until such time such application not to be filed.

7) National Company Law Tribunal Notice, dated 24th March, 2020

With regard to Limitation, it is clear that the order dated 23.3.2020 passed by Hon'ble Supreme Court in suo motu WP-03/2020 is binding on everyone in India, for further clarification, it is hereby clarified that the litigant public with regard to the matters falling within jurisdiction of NCLT shall abide by the aforesaid orders of Hon'ble Supreme Court of India.

8) National Company Law Tribunal Notice, dated 28th March, 2020

In view of the lockdown announced by the Government of India until 14.4.2020, to curtail the spread of COVID-19, the directions given in the notice dated 22.03.2020 issued by NCLT are hereby extended upto 14.04.2020.



***Initiatives
by
Ministry of Corporate Affairs***

1) Special Measures under Companies Act, 2013 and Limited Liability Partnership Act, 2008 in view of COVID-19 outbreak, dated 24th March, 2020

- a) No additional fees shall be charged for late filing during a moratorium period from 01st April, 2020 to 30th September, 2020, in respect of any document, return, statement etc., required to be filed in the MCA-21 Registry, irrespective of its due date, which will not only reduce the compliance burden, including financial burden of Companies/LLP's at large, but also enable long standing non-compliant companies/ LLPs to make a fresh start.
- b) The mandatory requirement of holding meetings of the Board of the companies within the prescribed interval provided in section 173 of the Companies Act, 2013 (i.e.120 days) stands extended by a period of 60 days till next two quarters i.e. till 30th September. Accordingly, as a one-time relaxation the gap between two consecutive meetings of the Board may extend to 180 days till the next two quarters, instead of 120 days as required in the Companies Act, 2013.
- c) The Companies (Auditor's Report) Order, 2020 shall be made applicable from financial year 2020-21, instead of being applicable from the financial year 2019-20 as notified earlier. This will significantly ease the burden on companies & their auditors for the financial year 2019-20.
- d) As per Para VII (1) of Schedule IV to the Companies Act, 2013, the Independent Directors of the company are required to hold at least one meeting in a financial year, without the attendance of non-independent directors and members of management. For the financial year 2019-20, if the Independent Directors of a company have not been able to hold such a meeting, the same shall not be viewed as violation. The independent Directors, however, may share their views amongst themselves through telephone or e-mail or any other mode of communication, if they deem it to be necessary.
- e) Newly incorporated companies are required to file a declaration for Commencement of Business within 180 days of incorporation under section 10A of the Companies Act, 2013. An additional period of 180 more days is allowed for this compliance.
- f) Non-compliance of minimum residency in India for a period of at least 182 days by at least one director of every company, under Section 149 of the Companies Act, 2013 shall not be treated as non-compliance for the financial year 2019-20.
- g) Requirement under section 73(2)(c) of Companies Act 2013, to create the deposit repayment reserve of 20% of deposits maturing during the financial year 2020-21 before 30th April, 2020 shall be allowed to be complied with till 30th June 2020.
- h) Requirement under rule 18 of the Companies (Share Capital & Debentures) Rules, 2014 to invest or deposit at least 15% of amount of debentures maturing in specified methods of investments or deposits before 30th April 2020, may be complied with till 30th June 2020.

2) General Circular No.10/2020, Clarification on spending of CSR funds for COVID-19 dated 23rd March, 2020

Keeping in view of the spread of the novel Corona Virus (COVID-19) in India, its declaration as a pandemic by the World Health Organisation (WHO), and, decision of Government of India to treat this as notified disaster.

It is clarified by the Ministry of Corporate Affairs, that spending of CSR funds for COVID-19 is eligible CSR activity. Funds may be spent for various activities related to COVID-19 under item nos. (i) and (xii) of Schedule VII relating to promotion of health care, including preventive health care and sanitation, and, disaster management. Further, as per General Circular No. 21/2014 dated 18th June, 2014, items in Schedule VII are broad based and may be interpreted liberally for this purpose.

3) Companies Affirmation of Readiness towards COVID-19, dated 23rd March, 2020

MCA has introduced a new form w.e.f. 23rd March, 2020. It is a simple web-based form with minimum fields, which can be filed from anywhere. There is no requirement of DSC and does not involve payment of any fee.

Form is Applicable for all Indian companies/ Foreign companies/ LLPs/ Foreign LLPs. Any one of the current Authorized Signatories of the Company/LLP can submit the form online. It requires only OTP verification and no SRN is generated for this form.

This form has been deployed as a purely confidence building measure to assess the readiness of the companies to deal with COVID-19 threat in India. As such no penalty or enforcement related action is applicable. Companies/LLPs may at their convenience file this form. It is purely voluntary as part of contribution towards joining the movement to fight against the spread of the disease.

4) Relaxation of the requirement of holding Board meetings with physical presence of directors under section 173(2) read with rule 4 of the Companies (Meetings of Board and its Powers) Rules, 2014 for approval of the restricted matters by introducing the Companies (Meetings of Board and its Powers) Amendment Rules, 2020 dated 19th March, 2020.

Considering the need to take precautionary steps to overcome the outbreak of the coronavirus (COVID-19), the Ministry of Corporate Affairs has decided to relax the requirement of holding Board meetings with physical presence of directors under Section 173(2) read with rule 4 of the Companies (Meetings of Board and its Powers) Rules, 2014 for approval of the restricted matters such as approval of the annual financial statements, approval of the board's report, approval of the prospectus, the Audit Committee Meetings for consideration of financial statement including consolidated financial statement if any, to be approved by the board under sub-section (1) of section 134 of the Act and approval of matters relating to amalgamation, merger, demerger, acquisition and takeover.

Companies may hold such meetings from the period beginning from the commencement of the Companies (Meetings of Board and its Powers) Amendment Rules, 2020 i.e. 19th March, 2020 till 30th June, 2020 through video conferencing or other audio visual means by duly ensuring compliance of rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014.

According to Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014, the chairperson of the meeting and the company secretary (if any) shall take due and reasonable care to safeguard the integrity of the meeting via proper security and identification procedures. Companies needs to ensure availability of proper video conferencing or other audio-visual equipment or facilities for providing transmission of the communications for effective participation of the directors and other authorised participants at the Board meeting. Proceedings at the board meeting will have to be recorded and minutes of the meeting needs to be prepared.

5) Clarification on contribution to PM CARES Fund as eligible CSR activity under item no. (viii) of the Schedule VII of Companies Act, 2013, dated 28th March, 2020

The Government of India has set up the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) with the primary objective of dealing with any kind of emergency or distress situation such as that posed by COVID 19 pandemic.

Item no. (viii) of the Schedule VII of the Companies Act, 2013, which enumerates activities that may be undertaken by companies in discharge of their CSR obligations, inter alia provides that contribution to any fund set up by the Central Government for socio-economic development and relief qualifies as CSR expenditure. The PM-CARES Fund has been set up to provide relief to those affected by any kind of emergency or distress situation. Accordingly, it is clarified that any contribution made to the PM CARES Fund shall qualify as CSR expenditure under the Companies Act, 2013.

6) "Companies Fresh Start Scheme, 2020" and "revised LLP Settlement Scheme, 2020"

In pursuance of the Government of India's efforts to provide relief to law abiding companies and Limited Liability Partnerships (LLPs) in the wake of COVID 19, the Ministry of Corporate Affairs, has introduced the "Companies Fresh Start Scheme, 2020" and revised the "LLP Settlement Scheme, 2020" which is already in vogue to provide a first of its kind opportunity to both companies and LLPs to make good any filing related defaults, irrespective of duration of default, and make a fresh start as a fully compliant entity. The Fresh Start scheme and modified LLP Settlement Scheme incentivize compliance and reduce compliance burden during the unprecedented public health situation caused by COVID-19. The USP of both the schemes is a one-time waiver of additional filing fees for delayed filings by the companies or LLPs with the Registrar of Companies during the currency of the Schemes, i.e. during the period starting from 1st April, 2020 and ending on 30th September, 2020.

The Schemes, apart from giving longer timelines for corporates to comply with various filing requirements under the Companies Act 2013 and LLP Act, 2008, significantly reduce the related financial burden on them, especially for those with long standing defaults, thereby giving them an opportunity to make a "fresh start". Both the Schemes also contain provision for giving immunity from penal proceedings, including against imposition of penalties for late submissions and also provide additional time for filing appeals before the concerned Regional Directors against imposition of penalties, if already imposed.

However, the immunity is only against delayed filings in MCA 21 and not against any substantive violation of law.

The Companies Fresh Start Scheme 2020 can be accessed at

http://www.mca.gov.in/Ministry/pdf/Circular12_30032020.pdf

Modified LLP Settlement Scheme can be accessed at

http://www.mca.gov.in/Ministry/pdf/Circular13_30032020.pdf

7) Filing of Form DIR-3KYC/DIR-3KYC-Web/ACTIVE without any filing fee

DIN holders marked as 'Deactivated' due to non-filing of DIR-3KYC/ DIR-3 KYC-Web and those Companies whose compliance status has been marked as "ACTIVE non-compliant" due to non-filing of Active Company Tagging Identities and Verification (ACTIVE) eform are encouraged to become compliant once again in pursuance of the General Circular No. 11 dated 24th March, 2020 & General Circular No.12 dated 30th March 2020 and file DIR-3KYC/DIR-3KYC-Web/ ACTIVE as the case may be between 1st April, 2020 to 30th September, 2020 without any filing fee of INR 5000/INR 10000 respectively.



***Initiatives
by
Ministry of Finance***

1. Relaxations provided by Ministry of Finance for Banking Industries are listed as below:

It has been noted that these relaxations are application for 3 months only.

- All the debit cardholders are allowed to withdraw cash for free from any other banks' ATM for 3 months;
- No minimum balance fee will be charged / deducted by the banks if minimum balance is not maintained by the account holders;
- To encourage the digital transactions and to stop the spread of Corona virus through the currency notes the ministry has reduced bank charges for digital trade transactions for all trade finance consumers

2. Amendment in the Indian Stamp (Collection of Stamp-Duty through Stock Exchanges, Clearing Corporations and Depositories) Rules, 2019

- In the Indian Stamp (Collection of Stamp-Duty through Stock Exchanges, Clearing Corporations and Depositories) Rules, 2019 as amended by Indian Stamp (Collection of Stamp-Duty through Stock Exchanges, Clearing Corporations and Depositories) (Amendment) Rules, 2020,

In rule (1), in sub-rule (2), for the words and figures "1st day of April 2020" the words, figures and letters "1st day of July 2020" shall be substituted.

- The Indian Stamp (Collection of Stamp-Duty through Stock Exchanges, Clearing Corporations and Depositories) Rules, 2019 pertains to regulate the liability of instruments of transaction in stock exchanges and depositories to duty.
- This rule was earlier notified to be implemented from 1st April, 2020. However, due to the prevailing situation, it has been decided that the date of implementation will now be postponed to 1st July 2020.

3. PM CARES Fund

- A special fund "Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES FUND)" has been set up for providing relief to the persons affected from the outbreak of Corona virus. The Ordinance also amended the provisions of the Income-tax Act to provide the same tax treatment to PM CARES Fund as available to Prime Minister National Relief Fund. Therefore, the donation made to the PM CARES Fund shall be eligible for 100% deduction under section 80G of the IT Act. Further, the limit on deduction of 10% of gross income shall also not be applicable for donation made to PM CARES Fund.
- As the date for claiming deduction u/s 80G under IT Act has been extended up to 30.06.2020, the donation made up to 30.06.2020 shall also be eligible for deduction from income of FY 2019-20. Hence, any person including corporate paying concessional tax on income of FY 2020-21 under new regime can make donation to PM CARES Fund up to 30.06.2020 and can claim deduction u/s 80G against income of FY 2019-20 and shall also not lose his eligibility to pay tax in concessional taxation regime for income of FY 2020-21."

4. In order to put in place an efficient mechanism for collection of Stamp Duty on Security Market Instruments transactions through Stock Exchanges or Clearing Corporation authorized by Stock Exchanges Depositories an amendment has been made to the Stamp Act, 1899 vide Finance Bill, 2019, to introduce a centralised system of stamp duty with a unified rate for all financial securities transactions. The said changes were to become effective from January 9, 2020 which later were deferred to 1st April, 2020 vide notification dated 8th January, 2020. However, due to the covid-19 outbreak, the same has been further extended and will be effective from 1st July 2020.

<http://egazette.nic.in/WriteReadData/2020/218957.pdf>



***Initiatives
by
Ministry of Commerce and Industry***

1. Extension of validity of Registration cum Membership Certificate (RCMC) beyond 31st March, 2020

Ministry of Commerce and Industry has decided that regional authorities of Directorate General of Foreign Trades will not insist on valid Registration cum membership certificate (in cases where same has expired on or before March 31, 2020) from applicants for any incentives/authorizations till Sept 30, 2020.

For more details, please click on the link

<https://dgft.gov.in/sites/default/files/Trade%20Notice%20No.60.pdf>

2. Extension of existing Foreign Trade Policy 2015-20

The existing Foreign Trade Policy 2015-2020, which is valid upto March 31, 2020 is extended by one year i.e. upto March 31, 2021. Various other changes are also made extending the date of exemptions by one year and extending validity of DFIA and EPCG Authorizations for import purposes.

For more details, please click on the link

<https://dgft.gov.in/sites/default/files/Notification%2057%20eng%20signed%20and%20scanned%201.pdf>



***Initiatives
by
Reserve Bank of India***

On March 27, 2020, a day after Indian government began its economy rescue in right earnest with Rs 1.70 lakh crore coronavirus counter, the Reserve Bank of India joined the big fight today with a host of measures aimed at minimizing the damage from Covid-19.

These measures come just hours after Moody's Investors Service cut India's growth forecasts for 2020 calendar year to 2.5% from 5.3%.

Major Measures taken by RBI are listed as below:

Reduction in Repo Rate

- The Monetary Policy Committee decided by 4-2 majority to reduce repo rate by 75 basis points to 4.4 per cent.
- The reverse repo rate was cut by 90 bps to 4 per cent, creating an asymmetrical corridor.

EMI Relief

A moratorium of three months of EMIs on all outstanding loans was announced.

The statement of RBI Governor says: "All commercial, regional, rural, NBFCs and small finance banks are being permitted to allow 3-month moratorium on payment of instalments in respect of all term loan EMIs outstanding on March 31, 2020."

For the next three months, no EMI would be deducted from the account of anyone who has a loan outstanding. And all this without any hit on credit score. EMIs will resume after the moratorium period gets over.

This is going to be a huge relief for all EMI payers, especially for those — such as the self-employed — whose income had become uncertain in the wake of the lockdown.

Deferment of Interest on Working Capital Facilities

In respect of working capital facilities sanctioned in the form of cash credit/overdraft, lending institutions are being permitted to allow a deferment of three months on payment of interest in respect of all such facilities outstanding as on March 1, 2020.

The accumulated interest for the period will be paid after the expiry of the deferment period.

Easing of Working Capital Financing

In respect of working capital facilities sanctioned in the form of cash credit/overdraft, lending institutions may recalculate drawing power by reducing margins and/or by reassessing the working capital cycle for the borrowers. Such changes in credit terms permitted to the borrowers to specifically tide over the economic fallout from COVID-19 will not be treated as concessions granted due to financial difficulties of the borrower, and consequently, will not result in asset classification downgrade.

RBI calls – War against COVID 19

Make no mistake, it is a fight never seen before, the RBI governor warned while outlining the risks to Indian economy from coronavirus. He stressed upon the need to keep the credit flowing to the stressed areas of the economy.

RBI has announced a sizeable reduction in the policy repo rate and maintaining accommodative stance as long as necessary, while ensuring inflation remains within target.

It is predicted a big recession coming for the entire world, and India won't be immune. It all depends how India responds to the situation, RBI Governor said.

Global slowdown could make things difficult for India too, despite some help from falling crude prices, he said. Food prices may soften further on record crop, he added. Aggregate demand may weaken and ease core inflation further, he said.

Three-way liquidity injection

At the presser, RBI announced:

- Auction of targeted long-term repo operations of 3-year tenor for total amount Rs 1,00,000 crore at floating rate.
- Reduction of CRR for all banks by 100 basis points. Will release Rs. 1.37 lakh crore across banking system.
- Accommodation under Marginal Standing Facility to be increased from 2% from SLR to 3% with immediate effect till June 30. It will release Rs. 1.37 lakh crore into the system.
- Combined, these three measures will make available a total Rs. 3.74 lakh crore to the country's financial system.

Banking system is safe and sound, the governor insisted, adding that it would be fallacious to link share prices to banks' fate. He implored Indians not to worry about their bank deposits.

Deferment of Implementation of Net Stable Funding Ratio (NSFR)

As part of reforms undertaken in the years following the global financial crisis, the Basel Committee on Banking Supervision (BCBS) had introduced the Net Stable Funding Ratio (NSFR) which reduces funding risk by requiring banks to fund their activities with sufficiently stable sources of funding over a time horizon of a year in order to mitigate the risk of future funding stress. As per the prescribed timeline, banks in India were required to maintain NSFR of 100 per cent from April 1, 2020. It has now been decided to defer the implementation of NSFR by six months from April 1, 2020 to October 1, 2020.

Deferment of Last Tranche of Capital Conservation Buffer

The capital conservation buffer (CCB) is designed to ensure that banks build up capital buffers during normal times (i.e., outside periods of stress) which can be drawn down as losses are incurred during a stressed period. Considering the potential stress on account of COVID-19, it has been decided to further defer the implementation of the last tranche of 0.625 per cent of the CCB from March 31, 2020 to September 30, 2020.

Permitting Banks to Deal in Offshore Non-deliverable Rupee derivative Markets (Offshore Rupee NDF Markets)

At present, Indian banks are not permitted to participate in this market, although the benefits of their participation in the NDF market have been widely recognised.

The banks in India which operate International Financial Services Centre (IFSC) Banking Units (IBUs) are being allowed to participate in the NDF market with effect from June 1, 2020.

The Big Bang Backstory

After cutting policy rates five times in the past one year, the RBI had been on a pause since December in view of high inflation.

Earlier this week, RBI's monetary policy committee (MPC) had held an unscheduled meeting to zero in on possible emergency measures.

Asia's third largest economy has been locked down for three weeks since March 25, 2020, putting millions of daily wage earners and lakhs of businesses in unprecedented hardship.

Earlier, the financial services secretary had written to RBI seeking a moratorium of a few months on EMIs, interest and loan repayments. A relaxation in the NPA classification norms was also sought with a view to helping those who face loss of income.

Under RBI rules, any default in payments must be recognised within 30 days and these accounts are to be classified as "special mention accounts". Experts say a re-classification is necessary to ensure businesses survive the coronavirus hit, even at the expense of banks for the time being.

For further details Please click on the link given below:

https://www.rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=49582



***Initiatives
by
Securities and Exchange Board of India***

SEBI has relaxed the compliance requirements pertaining to various regulations as under:

1) Relaxation from compliances with certain provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 due to the COVID - 19 pandemic (27th March, 2020)

- The disclosure filings under Regulations 30(1), 30(2) and 31(4) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SAST Regulations), require the shareholders to compile, collate, and disseminate information of their consolidated shareholding as on March 31, 2020, to the company and the stock exchanges within seven working days from the end of the financial year. These reports as per the 2020 calendar are required to be filed by April 15, 2020.
- Extension of the due date of filing disclosures, in terms of Regulations 30(1), 30(2) and 31(4) of the SAST Regulations for the financial year ending March 31, 2020 has been made to June 01, 2020.

2) Relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) and the SEBI circular dated January 22, 2020 relating to Standard Operating Procedure due to the CoVID -19 virus pandemic (26th March, 2020, 23rd March, 2020 and 19th March, 2020)

- a) Relaxations from compliance with following certain provisions of Regulations of SEBI (LODR) are as under:
- Compliance Certificate under Reg. 40(9) from Practicing Company Secretary on timely issue of share certificates – extended till may 31st, 2020 (period of relaxation – 1 month).

Regulation 40 (9) states that

The listed entity shall ensure that the share transfer agent and/or the in-house share transfer facility, as the case may be, produces a certificate from a practicing company secretary within one month of the end of each half of the financial year, certifying that all certificates have been issued within thirty days of the date of lodgement for transfer, subdivision, consolidation, renewal, exchange or endorsement of calls/allotment monies.

- b) Relaxation of holding AGM and meeting of Board/Committee(s)
- As per Reg. 17(2) and 18(2)(a) the board of directors and the audit committee shall meet at least four times a year with a maximum time gap of one hundred and twenty days between any two meetings.
 - The board of directors and Audit Committee of the listed entity are exempted from observing the maximum stipulated time gap between two meetings for the meetings held or proposed to be held between the period December 1, 2019 and June 30, 2020.
 - However, the board of directors / Audit Committee shall ensure that they meet at least four times a year, as stipulated under regulations 17(2) and 18(2)(a) of the LODR.

- As per Reg. 19(3A) the Nomination and Remuneration Committee shall meet at least once in a year - extended till June 30th, 2020 (period of relaxation – 3 month).
 - As per Reg. 20(3A) the Stakeholder Relationship Committee shall meet at least once in a year - extended till June30th, 2020 (period of relaxation – 3 month).
 - As per Reg. 21(3A) the Risk Management Committee shall meet at least once in a year - extended till June30th, 2020 (period of relaxation – 3 month).
 - Holding of AGM under Reg. 44(5) by top 100 listed entities by market capitalisation for FY 19-20 - extended to September 30th, 2020 (period of relaxation – 1 month).
- c) Extension of timeline for filings
- Regulation 7(3) relating to compliance certificate on share transfer facility to be filed within one month of the end of each half of the financial year – extended till 31st May, 2020 (Period of relaxation – 1 month)
 - Regulation 13(3) relating to Statement of Investor complaints to be filed within 21 days from end of the each quarter – extended till 15th May, 2020 (Period of relaxation – 3 weeks approx.)
 - Regulation 24A read with circular No CIR/CFD/CMD1/27/2019 dated February 8, 2019 relating to Secretarial Compliance report to be filed within 60 days from the end of the financial year – extended till 30th June, 2020 (Period of relaxation – 1 month)
 - Regulation 27(2) relating to Corporate Governance report to be filed within 15 days from end of the quarter – extended till 15th May, 2020 (Period of relaxation – 1 month)
 - Regulation 31 relating to Shareholding Pattern to be filed within 21 days from end of the quarter – extended till 15th May, 2020 (Period of relaxation – 3 weeks approx.)
 - Regulation 33 relating to Quarterly Financial Results to be filed within 45 days from end of the quarter – extended till 30th June, 2020 (Period of relaxation – 45 days) [**Same in case of Commercial Papers/ Non-Convertible Debentures (NCDs) / Non-Convertible Redeemable Preference Shares (NCRPS)**]
 - Regulation 33 relating to Annual Financial Results to be filed within 60 days from end of the financial year – extended till 30th June, 2020 (Period of relaxation – 1 month) (**Same in case of Commercial Papers/ Non-Convertible Debentures (NCDs) / Non-Convertible Redeemable Preference Shares (NCRPS)**)

- d) Relaxation of the operation of the SEBI circular on Standard Operating Procedure dated January 22, 2020 on imposition of fines and other enforcement actions for non-compliances with provisions of the LODR.
- The effective date of operation of which is for compliance periods ending on and after March 31, 2020 shall now come into force with effect from compliance period ending on and after June 30, 2020.
- e) Relaxation of publication of advertisements in the newspapers.
- Regulation 47 of the LODR requires publishing, in the newspapers, information such as notice of the board meeting, financial results etc. are exempted for all events scheduled till May 15, 2020.

3) Relaxation in compliance with requirements pertaining to Mutual Funds (23rd March, 2020)

- a) Relaxations from compliance with following regulations of SEBI (Mutual Funds) Regulations, 1996 and circulars issued thereunder:
- All schemes (New Fund Offer) where observation letter was issued by SEBI and yet to be launched shall have a validity period of one year from the date of SEBI letter.
 - All new schemes (New Fund Offer) where final observation letter will be issued shall have validity period of one year from the date of SEBI letter.
- b) The timelines for certain disclosures are extended, as follows:
- Half yearly disclosures of unaudited financial results under Reg. 59 to be filed within one month from the close of half year – extended till 31st May, 2020.
 - Disclosure of commission paid to distributors under point 2(a) of SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2016/42 dated March 18, 2016 which is to be filed within 10 days from the half year end - extended till 10th May, 2020.
 - Yearly disclosure of investor complaints under point 4(b) of SEBI circular no. Cir/IMD/DF/2/2010 dated May 13, 2020 which is to be filed within 2 months from the close of financial year – extended till 30th June, 2020.
- c) The effective date of implementation of certain policy initiatives have been extended as under:
- Liquid funds shall hold at least 20% of its net assets in liquid assets as per circular dated 20th September, 2019 (due date 1st April, 2020) – extended till 1st May, 2020.
 - Existing open-ended mutual fund schemes shall comply with the revised limits for sector exposure as per circular dated 1st October, 2019 (due date 1st April, 2020) – extended till 1st May, 2020.
 - Maximum investment in unlisted NCDs as % of the debt portfolio of the scheme (due date 31st March, 2020) – extended till 15th April, 2020.

- Amortization based valuation shall be dispensed with and irrespective of residual maturity, all money market and debt securities shall be valued in terms of paragraph 1.1.2.2 of the Circular dated 24th September, 2020 (due date 1st April, 2020) – extended till 1st May, 2020.

d) The access control presently exercised in the AMC's dealing room including call recording of deals is temporarily relaxed subject to checks and balances including electronic confirmation by way of email or other system having audit trail are in place.

4) Relaxation from compliance to Real Estate Investment Trust (REITs) and Infrastructure Investment Trusts (InvITs) due to the COVID -19 virus pandemic (23rd March, 2020)

- Due date for regulatory filings and compliances for REIT and InvIT for the period ending March 31, 2020 by one month over and above the timelines as prescribed under SEBI (Infrastructure Investment Trusts) Regulations, 2014 (InvIT Regulations) and SEBI (Real estate Investment Trusts) Regulations, 2014 (REIT Regulations) and circulars issued thereunder.

5) Extension of timeline for filings prescribed for Issuers of Municipal Debt Securities

- Investor Grievance Report as per Municipal Bond to be filed within 30 working days from end of Half Year – extended date 30th June, 2020 (period of relaxation 45 days)
- Annual Financial Results to be filed 60 days from the end of Financial Year – extended date 30th June, 2020 (period of relaxation 30 days)
- Accounts maintained by Issuers under Issue and Listing of Debt Securities by Municipalities (ILDM) Regulations to be filed 45 days from end of quarter – extended date 30th June, 2020 (period of relaxation 45 days)

(For more details, please click on <https://www.sebi.gov.in>)

6) Relaxation from compliance with certain provisions of the circulars issued under SEBI (Credit Rating Agencies) Regulations, 1999 due to the COVID-19 pandemic and moratorium permitted by RBI (30th March, 2020)

b) Due to COVID-19 pandemic and in light of moratorium permitted by Reserve Bank of India (RBI) vide notification no. RBI/2019-20/186 dated 27th March, 2020 on loan servicing, working capital facilities etc. for three months, temporary relaxations in compliance by CRAs have been made as under:

Recognition of Default

- Currently, CRAs recognize default based on the guidance issued vide SEBI circular dated May 3, 2010 and November 1, 2016.
- In view of the nationwide lockdown and the three month moratorium/ deferment on payment permitted by RBI, a differentiation in treatment of default, on a case to case basis, needs to be made as to whether such default occurred solely due to the lockdown or loan moratorium.
- Accordingly, based on its assessment, if the CRA is of the view that the delay in payment of interest/principle has arisen solely due to the lockdown conditions creating temporary operational challenges in servicing debt, including due to procedural delays in approval of

moratorium on loans by the lending institutions, CRAs may not consider the same as a default event and/or recognize default. Appropriate disclosures in this regard shall be made in the Press Release.

- The above shall also be applicable on any rescheduling in payment of debt obligation done by the issuer, prior to the due date, with the approval of the investors/lenders.
- **The above relaxation is extended till the period of moratorium by the RBI**

Extension in timelines for press release and disclosures on website

- Considering that the CRAs are dependent on the issuers and third parties for information collection which is impaired due to current lockdown, relaxation from timelines for rating action/ issue of press release by CRAs stipulated vide SEBI circular dated June 30, 2017 is being granted. However, CRAs should endeavour to finish the exercise on a best effort basis. Such cases shall be put up for ratification by the Rating Sub-Committee of the Board of CRA.
- Further, an extension of 30 days is being granted for making annual and semi-annual disclosures by CRAs on its website for the period ended March 2020.

7) Extension of deadline for implementation of the circular on Stewardship Code for all Mutual Funds and all categories of AIFs due to the CoVID- 19 pandemic (30th March, 2020)

- SEBI, vide circular no. CIR/CFD/CMD1/168/2019 dated December 24, 2019 introduced a Stewardship Code for all Mutual Funds and all categories of AIFs, in relation to their investment in listed equities. The Code was to come into effect from April 1, 2020.
- An extension of the deadline for implementation of the Stewardship Code has been made to July 1, 2020, as the prevailing situation resulting from the CoVID-19 pandemic makes it challenging, *inter-alia*, to
 - i. effectively monitor and intervene at appropriate situations with the management of the investee companies;
 - ii. engage with the boards of the investee companies.

8) Continuation of Phase II of Unified Payments Interface with Application Supported by Blocked Amount due to Covid-19 virus pandemic (30th March, 2020)

- SEBI vide circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 has extended the timeline for implementation of Phase II of Unified Payments Interface with Application Supported by Blocked Amount till March 31, 2020.
- The prevailing uncertainty due to the Covid- 19 pandemic, the timelines of Phase II of Unified Payments Interface with Application Supported by Blocked Amount may be continued at present.
- It has been stated that the systems and processes for achieving Phase III timelines of T+3 need to be further deliberated and finalized in light of the experience gained during one of the major IPOs that opened and closed in the first week of March 2020.

- In view of the aforesaid representations and also taking into account that introducing any new changes under the prevailing circumstances where staff at the stakeholders are sparsely populated may not be workable, it has been decided to continue with the current Phase II of the UPI ASBA till further notice.
- The modalities for the implementation of the Phase III of the UPI ASBA shall be notified later after deliberations with stakeholders.

9) Temporary relaxation in processing of documents pertaining to FPIs due to COVID-19 (30th March, 2020)

- In terms of Operational guidelines for Foreign Portfolio Investors (FPIs) & Designated Depository Participants (DDPs) issued under Securities and Exchange Board of India (FPI) Regulations, 2019, FPI applicant shall submit duly signed application form (including KYC details) and supporting documents and applicable fees.
- Further, copies of all the KYC documents submitted by the applicant should be accompanied by originals for verification. In case the original of any KYC document is not produced for verification, then the copies should be properly attested by entities authorized for attesting the documents.
- SEBI has also decided to grant the following relaxations in a situation where FPIs are not in a position to send original and/or certified documents as specified in Operational guidelines for Foreign Portfolio Investors (FPIs) & Designated Depository Participants (DDPs) issued under Securities and Exchange Board of India (FPI) Regulations, 2019:
 - (a) DDPs & Custodians may consider and process the request(s) for registration/ continuance/ KYC / KYC review & any other material change on the basis of scanned version of signed documents (instead of originals) and copies of documents which are not certified, received from
 - i. e-mail IDs of their Global Custodians/existing clients where these details are already captured in records or
 - ii. e-mail IDs of new clients received from domains which are duly encrypted with Transport –layer security (TLS) or similar encryption or the documents are password protected.
 - (b) These documents may be uploaded on KRAs. The other intermediaries may rely on said documents.
 - The above temporary relaxations shall be applicable till June 30, 2020.
 - DDPs & Custodians shall ensure to obtain the original and/or certified documents (as applicable normally) within 30 days from the aforesaid deadline. In case required documents for registration/ KYC are not received by said deadline, the accounts of such FPIs shall be blocked for any fresh purchase. In case documents are still not received within 3 months of said deadline, DDPs & Custodians shall report these cases to SEBI for appropriate action.

- Intermediaries should undertake necessary due diligence including that required for regulatory and risk based approach towards compliance with AML requirements while processing these documents based on scan copy.

10) Relaxation in compliance with requirements pertaining to Portfolio Managers (30th March, 2020)

- SEBI has relaxed the timeline for compliance with certain requirements for Portfolio Managers by extending the timelines for the following, by two months:
 - a. **Monthly reporting to SEBI by Portfolio Managers for the periods ending March 31, 2020 and April 30, 2020.**
 - b. **Applicability of SEBI Circular SEBI/HO/IMD/DF1/CIR/P/2020/26 dated February 13, 2020 on 'Guidelines for Portfolio Managers'.**

11) Relaxation in compliance with requirements pertaining to AIFs and VCFs (30th March, 2020)

- SEBI has extended the due date for regulatory filings for AIFs and VCFs for the periods ending March 31, 2020 and April 30, 2020 by two months, over and above the timelines prescribed under SEBI (Alternative Investment Funds) Regulations, 2012 and circulars issued thereunder.

12) Relaxation from compliances with deadline prescribed for processing of demat request, in SEBI (Depositories & Participants) Regulations, 2018, due to COVID-19 pandemic. (30th March, 2020)

- SEBI has provided relaxation in compliance with deadlines prescribed for processing of the demat request form by Issuer/RTA under reg. 74(5) of SEBI (Depositories and Participants) Regulations, 2018.
- The existing timeline is 15 days.
- Relaxation has been provided that, the period beginning from March 23, 2020 till April 30, 2020 will be excluded for computing the existing timelines as specified SEBI DP Regulations.
- In addition, 15 days time period is allowed to clear the back-log after April 30,2020

(For more details, please click on <https://www.sebi.gov.in>)



***Initiatives
by
Insolvency and Bankruptcy Board of India***

1) Amendment in the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, dated 29th March, 2020

Government of India has declared a lockdown of twenty-one days with effect from 25th March, 2020 as a measure to combat and contain the spread of COVID-19. It is difficult for the insolvency professionals to continue to conduct the process, for members of committee of creditors to attend the meetings, and for prospective resolution applicants to prepare and submit resolution plans, during the period of lockdown. Therefore, it may be difficult to complete various activities during a corporate insolvency resolution process within the timelines specified in the CIRP Regulations.

To address this difficulty, the IBBI amended the CIRP Regulations vide Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Third Amendment) Regulations, 2020 dated 29th March, 2020 to provide that the period of lockdown imposed by the Central Government in the wake of COVID-19 outbreak shall not be counted for the purposes of the time-line for any activity that could not be completed due to the lockdown, in relation to a corporate insolvency resolution process. This would, however, be subject to the overall time-limit provided in the Code.

The page features abstract blue geometric shapes in the corners. On the left, a large blue triangle points towards the center. On the right, a smaller blue triangle points towards the center. The text is centered between these shapes.

***Initiatives
by
Central Board of Direct Taxes***

Relaxation in Tax and Regulatory Compliance [Press Release ID1607942 dated 24.03.2020] due to Covid-19 -Extension for last date for filing Income tax Return for FY 2018-19

As per the provision of section 139(4) of the Income tax Act, 1961, any person who has not furnished a return within the time allowed to him under sub-section (1), may furnish the return for any previous year at any time before the end of the relevant assessment year or before the completion of the assessment, whichever is earlier. Accordingly, the last date of filing belated income tax return for FY 2018-19 is 31st March, 2020.

In view of Covid-19 outbreak, the last date for income tax returns for (FY 18-19) has been extended from 31st March, 2020 to 30th June, 2020.

1) Extension of last date for linking of Aadhaar-PAN

CBDT vide its Notification No. 11 dated 13th Feb, 2020 clarifies that the last date of linking PAN with Aadhaar is March 31, 2020, after which PAN and Aadhar become inoperative if not linked.

In view of Covid-19 outbreak, Aadhaar-PAN linking date has been extended from 31st March, 2020 to 30th June, 2020.

2) Extension of Vivad se Vishwas scheme without 10% additional charge

During the Union Budget 2020, the 'Vivad se Vishwas' Scheme was announced to provide taxpayers a lucrative opportunity to settle direct tax disputes by waiving interest and penalty on their pending taxes. As per the scheme, the taxpayer should opt and deposit the disputed dues by 31.03.2020, in order to get 100% relief from interest, penalty and fees. Scheme also contain an extensions period for opting the scheme of three months i.e. upto 30.06.2020, however, in extended period scenario, the taxpayer has to pay additional 10% of the disputed tax amount.

In view of Covid-19 outbreak, the last date for depositing dues under this scheme has been extended from March 31, 2020 to June 30, 2020 without 10% additional charge.

3) Extension of various due dates expiring between 20th March 2020 to 29th June 2020

The due dates for issue of notice, intimation, notification, approval order, sanction order, filing of appeal, furnishing of return, statements, applications, reports, any other documents and time limit for completion of proceedings by the authority and any compliance by the taxpayer including investment in saving instruments or investments for roll over benefit of capital gains under Income Tax Act, Wealth Tax Act, Prohibition of Benami Property Transaction Act, Black Money Act, STT law, CTT Law, Equalization Levy law, Vivad Se Vishwas law where the time limit is expiring between 20th March 2020 to 29th June 2020 shall be extended to 30th June 2020 in view of Covid-19 outbreak.

4) Reduction in levying Interest rate for depositing tax and waiver of late fee / Penalty

In view of Covid-19 outbreak, for delayed payments of advanced tax, self-assessment tax, regular tax, TDS, TCS, equalization levy, STT, CTT made between 20th March 2020 and 30th June 2020, reduced interest rate at 9% instead of 12%/18% per annum (i.e. 0.75% per month instead of 1/1.5 percent per month) will be charged for this period. No late fee/penalty shall be charged for delay relating to this period.

<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1607942>

Order u/s 119 of The Income Tax Act, 1961 on issue of certificates for lower rate / Nil deduction/collection of TDS or TCS u/s 195, 197 and 206C(9) due to covid-19 outbreak - Dated 31st March, 2020

There is severe disruption in the normal working of almost all the sectors, including the functioning of Income tax department due to covid-19 outbreak. The applications filed by the payees u/s 195 and 197 of the Act for lower or nil rate of deduction of TDS and applications by buyers/ licensees/lessees u/s 206C (9) of the Act for lower or nil rate of collection of TCS for F.Y. 2020-21 have not been attended in a timely manner by the TDS/TCS - Assessing Officers causing hardship to tax payers.

In view of this, the CBDT vide its order issues following directions / clarifications.

<i>Sl. No.</i>	<i>Scenario</i>			<i>Certificates Validity / Procedure</i>
a)	All the assesses who have filed application for lower or nil deduction of TDS/TCS on the Traces Portal for F.Y.2020-21	Applications are pending as on date	Applicants have been issued such certificates for FY 2019-20	Such certificates would be applicable till 30.06.2020 of F.Y. 2020-21 or disposal of their applications by the Assessing Officers, whichever is earlier in respect of the transaction and the deductor or collector, if any, for whom the certificates was issued for F.Y. 2019-20.
b)	All the assesses who could not filed application for lower or nil deduction of TDS/TCS on the Traces Portal for F.Y.2020-21	N/A	Applicants have been issued such certificates for FY 2019-20	Such certificate will be applicable till 30.06.2020 of F.Y. 2020-21. However, they need to apply at the earliest giving details of the transactions and the Deductor/Collector to the TDS/TCS Assessing Officer as per procedure laid down in sub para c) below, as soon as normally is restored or 30.06.2020. whichever is earlier
c)	All the assesses who could not filed application for lower or nil deduction of TDS/TCS on the Traces Portal for F.Y.2020-21	N/A	Applicants also not having any such certificate for FY 2019-20	Modified procedure for application and consequent handling by the TDS/TCS Assessing Officer is laid down which is enclosed as Annexure I below.
d)	On payments to Non-residents (including foreign companies) having Permanent Establishment in India and not covered by (a) and (b) above,			Tax on payments made will be deducted at the rate of 10% including surcharge and cess, on such payments till 30.06.2020 of F.Y. 2020-21, or disposal of their applications, whichever is earlier.

Annexure

Application for lower/Nil deduction certificates : An applicant shall apply for the lower/Nil deduction / collection certificates u/s 197/206C(9) of the Income Tax Act, 1961 vide an email addressing to the Assessing Officer concerned. The email shall contain data / documents as under:

1. Duly filed in Form 13
2. The documents / information as required to be uploaded on TDS-CPC website while filling up Form 13
3. Projected Balance Sheet and P&L of FY 2020-21
4. Provisional Balance Sheet and P&L of FY 2019-20
5. Balance Sheet and P&L of FY 2018-19
6. 26AS for FY 2019-20 & 2018-19
7. ITR pertaining to FY 2018-19

The Certificates shall be issued upto 30.06.2020 or any other date earlier than 30.06.2020 as specified by the A.O.

For details:

<https://www.incometaxindia.gov.in/Lists/Latest%20News/Attachments/389/Order-Us-119-F-No-%20275252020-IT.pdf>

The page features two decorative elements: a blue geometric shape in the top-left corner and another in the bottom-right corner. Both shapes are composed of overlapping triangles in various shades of blue, creating a modern, abstract design.

Initiatives
by
Central Board of Indirect Taxes and Customs

A. Goods and Services Tax

1) Extension in filing GSTR – 3B

Due to COVID – 19 outbreak there was “**Janta Curfew**” on 22nd March, 2022 and from 23rd March, 2020 for 21 days our Prime Minister Narendra Modi Ji has announced lockdown in whole of India which has thrown business out of gear. To provide some relaxation to small business man who were finding it hard to earn their bread and butter it was decided that GSTR – 3B which is due in March, April and May 2020 can be filed by the last week of June, 2020.

No Interest, late fee and penalty is to be charged.

This scheme is only for those having Aggregate annual turnover less than Rs. 5 Crore.

2) Decrease in Interest Rate

For those having Aggregate annual turnover more than Rs. 5 Crore can file their returns which are due in March, April and May 2020 by last week of June 2020 but the same would attract reduced rate of interest @9 % per annum from 15 days after due date.

Before COVID 19 Interest Rate for delay in filing was 18% per annum.

No late fee and penalty to be charged, if complied before till 30th June 2020.

3) Extension of Composition Scheme

Composition Scheme is a scheme for small GST taxpayers whose turnover is less than Rs. 1.5 crores.

Date for opting for composition scheme is extended till the last week of June, 2020. Further, the last date for making payments for the quarter ending 31st March, 2020 and filing of return for 2019-20 by the composition dealers will be extended till the last week of June, 2020.

4) Extension in filing of GST Annual Returns

Date for filing GST annual returns of FY 18-19, which is due on 31st March, 2020 is extended till the last week of June 2020.

GSTR 9 is the annual return. It is a compilation return which includes all business transactions done for the particular Financial Year. GSTR-9 consists of details about the supplies made and received during the year under different tax heads i.e., CGST, SGST, and IGST. It consolidates the information furnished in the monthly/quarterly returns during the particular year.

5) Extension for issue of notice, notification, approval order and many more

Due date for issue of notice, notification, approval order, sanction order, filing of appeal, furnishing of return, statements, applications, reports, any other documents, time limit for any compliance under the GST laws where the time limit is expiring between 20th March 2020 to 29th June 2020 shall be extended to 30th June 2020.

6) Extension of Sabka Vishwas Scheme

Payment date under Sabka Vishwas Scheme shall be extended to 30th June, 2020.

No interest for this period shall be charged if paid by 30th June, 2020.

Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 is a scheme proposed in the Union Budget, 2019, and introduced to resolve all disputes relating to the erstwhile Service Tax and Central Excise Acts, which are now subsumed under GST, as well as 26 other Indirect Tax enactments. The scheme is for taxpayers who wish to close their pending disputes, with a substantial relief provided by the government

B. Customs

1) 24X7 Custom clearance

24x7 means "24 hours a day, 7 days a week" and is used to describe a service that is continuous, is always available (day or night), or involves products that can run constantly without disruption or downtime.

Customs clearance work involves preparation and submission of documentations required to facilitate export or imports into the country, representing client during customs examination, assessment, payment of duty and co taking delivery of cargo from customs after clearance along with documents.

24X7 Custom clearance till end of 30th June, 2020 was announced by Finance minister on 24th March, 2020.

2) Extension for issue of notice, notification, approval order and many more

Due date for issue of notice, notification, approval order, sanction order, filing of appeal, furnishing applications, reports, any other documents etc., time limit for any compliance under the Customs Act and other allied Laws where the time limit is expiring between 20th March 2020 to 29th June 2020 shall be extended to 30th June 2020.

For further details Please click on the link given below :

<http://www.gstcouncil.gov.in/sites/default/files/Press-Dynamic/PIB1607942.pdf>

Disclaimer :

Although due care and diligence have been taken in preparation and uploading this Regulatory Updates, the Institute shall not be responsible for any loss or damage, resulting from any action taken on the basis of the contents of this Regulatory Updates. Anyone wishing to act on the basis of the material contained herein should do so after cross checking with the original source.