

Synopsis

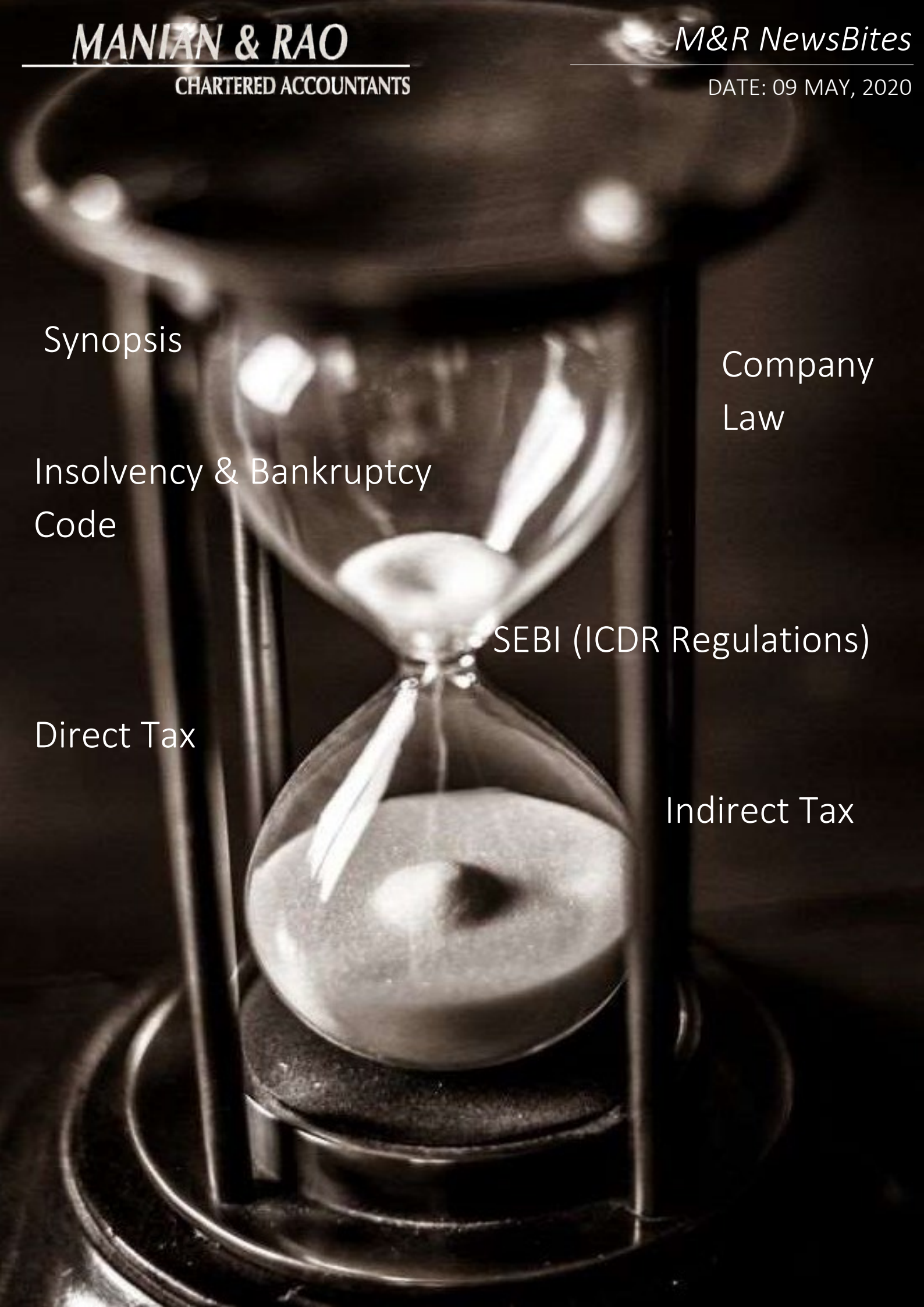
Company
Law

Insolvency & Bankruptcy
Code

SEBI (ICDR Regulations)

Direct Tax

Indirect Tax



SYNOPSIS

1. Companies Act Updates:

- i. Companies shall be allowed to conduct AGM through Video conferencing or Other audio-visual means during calendar year 2020.

2. Insolvency and Bankruptcy Code Updates:

- i. Companies filing corporate insolvency resolutions forms after due date shall have to pay additional fee if filed after October 01,2020.
- ii. The period of lockdown imposed by the Central Government shall not be counted for timeline for completion of any activity relating to an insolvency resolution process.
- iii. The period of lockdown imposed by the Central Government shall not be counted for timeline for completion of any activity relating liquidation process.
- iv. Where authorisation is not issued for assignment applications received between March 28, 2020 and September 30,2020, it shall be deemed to have been issued or renewed within 30 days of receipt.
- v. For FY 2019-20, the fee required to be paid by an insolvency professional to the Insolvency Board shall have to be paid on or before June 30,2020.
- vi. Individuals who cease to be a director or partner of an insolvency professional entity between March 28,2020 and December 31,2020 shall inform the Insolvency Board within 30 days of such cessation.

3. SEBI Updates:

- i. Procedural relaxations provided by SEBI with respect of the Rights Issues.

4. Direct Tax Updates:

- i. Supreme Court passes judgement on powers of the Assessing officer to withhold income tax refunds when a scrutiny assessment is pending.
- ii. Clarification issued by Central Board of Direct Taxes (CBDT) with respect to tax residency under Section 6 of Income Tax Act, 1961 on account of COVID-19.
- iii. Amendment in Mutual Agreement Procedure laid down in Income-Tax Rules, 1962.

5. Indirect Tax Updates:

- i. Transition credit can be availed by June 30, 2020 - Brand Equity Treaties Limited Vs. Union of India – Delhi High Court ruling.
- ii. Filing of GSTR 3B monthly return allowed through EVC and SMS facility.
- iii. Extension of due date for GST Audit for FY 2018-19 till September 30, 2020.
- iv. Validity of E-way bill generated between March 20, 2020 to April 15, 2020 extended till May 30, 2020.
- v. Clarification provided on provisions of registration procedure for RP/IRP's for companies under Insolvency proceedings.
- vi. Relaxations to merchant exporter by extending the time limit for making exports from 90days of raising tax invoice to June 30, 2020, provided the completion of such 90 days period falls within March 20, 2020 to June 29, 2020.
- vii. Furnishing of FORM GST ITC-04 by a job worker for the quarter ending March, 2020 stands extended up to June 30, 2020.

Companies Act 2013



UPDATES IN THE COMPANIES ACT, 2013

- A. Clarification on holding of Annual General Meeting (AGM) through Video conferencing (VC) or Other audio-visual means (OAVM):
1. Keeping in view the continuing restrictions on movement of persons in the country, the Ministry of Corporate Affairs ('MCA') has decided companies shall be allowed to conduct AGM through VC or OAVM during the calendar year 2020, subject to fulfillment of the certain requirements.
 2. The requirements have broadly been classified based on the following:
 - a. Companies which are required to provide the facility of e-voting under the Act, or any other company which has opted such facility.
 - b. Companies which are not required to provide the facility of e-voting under the Act.
 3. The detailed guidelines for conducting the AGM through VC or OVAM are available on the official website of the MCA at http://www.mca.gov.in/Ministry/pdf/Circular20_05052020.pdf

Above is as per General Circular No.20/2020 dated May 5,2020

completed due to such lockdown. This amendment shall be deemed to have come in force from March 29,2020.

Above is as per Notification No. IBBI/2020-21/GN/REG059 dated April 20,2020.

B. Insolvency and Bankruptcy Board of India (Liquidation Process) (Second amendment) Regulation, 2020:

- i. As per Regulation 47 ‘Model time-line for liquidation process’, a corporate debtor has to file various forms from the date of commencement of liquidation with in the timelines specified in this regulation. The IBBI has inserted Regulation 47A to help such corporate debtors in the wake of Covid-19.
- ii. Regulation 47A “Exclusion of period of lock down” states 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 computation of the timeline for any task that could not be completed due to such lockdown, in relation to any liquidation process. This amendment shall be deemed to have come into force from April 17,2020.

Above is as per Notification No. IBBI/2020-21/GN/REG060 dated April 20,2020.

C. Insolvency and Bankruptcy Board of India (Model Bye-Laws and Governing Board of Insolvency Professional Agencies) (Amendment) Regulations, 2020:

- i. Regulation 12A deals with application for issue or renewal of authorisation for any assignment of any professional member with respect to payment of fees, filing & disclosure, continuous professional education etc. by the Agency and board from time to time.
- ii. Where authorisation for any assignment is not issued, renewed or rejected by the Agency as per subclause 5 of Regulation 12A within 15 days of the date of receipt of application, the authorisation shall be deemed to have been issued or renewed, as the case may be, by such Agency.
- iii. The Insolvency and Bankruptcy Board of India (IBBI) has inserted in subclause 5 of Regulation 12A that for applications received by the Agency between March 28,2020 and September 30,2020 the authorisation shall be deemed to have been issued or renewed within 30 days of the date of receipt of application.
- iv. As per subclause 7 in Regulation 12A, where an applicant is aggrieved by an order of rejection by the Agency, he may appeal to the Membership Committee within 7 days from the date of receipt of the order. However, where an order is rejected for application made between March 28,2020 and

September 30,2020, the applicant may appeal to membership committee within 30 days from date of receipt of order.

- v. The above amendments shall be deemed to have come into force from March 28 ,2020.

Above is as per Notification No. IBBI/2020-21/GN/REG058 dated April 20,2020

D. Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Amendment) Regulations, 2020:

- i. As per Regulation 7, an insolvency professional entity or individual who holds certificate of registration under IBBI has to pay a fee every year to the board, at the rate of 0.25% of the turnover or professional fees earned/rendered from the services as an insolvency professional in the preceding financial year, on or before the April 30 every year.

However, for Financial year (“FY”) 2019-2020, an insolvency professional shall pay the fee under this clause on or before the June 30, 2020.

- ii. As per Regulation 13, if any individual ceases to be a director or partner as the case maybe of an insolvency professional entity, they shall inform the board within 7 days of cessation along with fees of INR 2,000/-.

However, for individuals who cease to be a director or partner in an insolvency professional entity between March 28,2020 and December 31,2020 they shall inform the board within 30 days of such cessation.

- iii. The above amendments shall be deemed to have come into force from March 28 ,2020.

Above is as per Notification No. IBBI/2020-21/GN/REG057 dated April 20,2020.



RELAXATIONS PROVIDED BY SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”) DUE TO COVID-19 VIRUS PANDAMIC

In view of the impact of the COVID-19 Pandemic and the lockdown measures undertaken by the Central and State Governments, SEBI vide its circular dated May 06, 2020 has provided certain relaxations from strict enforcements of certain regulations of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”), pertaining to Rights Issue opening up to July 31, 2020.

- i. Regulation 77(2) of the ICDR Regulations requires that *“The abridged letter of offer, along with application form, shall be despatched through registered post or speed post or by courier service or by electronic transmission to all the existing shareholders at least three days before the date of opening of the issue.”*.

SEBI in its circular has stated that failure to adhere to modes of dispatch through registered post or speed post or courier services due to prevailing Covid-19 related conditions will not be treated as non-compliance up to July 31, 2020. However, the issuers shall publish the letter of offer, abridged letter of offer application forms on the website of the issuers, registrar and stock exchanges and the lead manager(s) to the rights issue. Further the issuer along with the lead manager(s) shall undertake all adequate steps to reach out its shareholders through other means such as ordinary post or SMS or audio-visual advertisement on television or digital advertisement, etc.

- ii. Regulation 84(1) of the ICDR Regulation requires the issuer shall issue an advertisement in at least one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one regional language daily newspaper with wide circulation, at the place where registered office of the issuer is situated and also give an intimation to the stock exchanges for dissemination on their websites, at least two days before the date of opening of the issue, disclosing the following:

- a) The date of completion of despatch of abridged letter of offer and the application form;
- b) The centres other than registered office of the issuer where the shareholders or the persons entitled to receive the rights entitlements may obtain duplicate copies of the application form in case they do not receive the application form within a reasonable time after opening of the rights issue;
- c) A statement that if the shareholders entitled to receive the rights entitlements have neither received the original application forms nor they are in a position to obtain the duplicate form, they may make application in writing on a plain paper to subscribe to the rights issue along with a format specifying therein necessary particulars such as name, address, ratio of rights issue, issue price, number of equity shares held, ledger folio numbers, depository participant ID, client ID, number of equity shares entitled and applied for, additional shares if any, amount to be paid along with application, and particulars of cheque, etc. to be drawn in favour of the issuer's account;
- d) A statement that the applications can be directly sent by the shareholders through registered post together with the application monies to the issuer's designated official at the address given in the advertisement;
- e) A statement to the effect that if the shareholder makes an application using the application form as well as plain paper, both the applications shall be liable to be rejected at the option of the issuer.

SEBI vide its notification has asked to include certain additional details such as the manner in which the shareholders who have not been served notice electronically may apply in addition to the details required to be published as per Regulation 84(1). SEBI has also provided the flexibility to the issuer to publish the dispatch advertisement in additional newspaper over and above those required in Regulation 84. The advertisement should also be made available on the website of the Issuer, Registrar, Lead Managers, and Stock Exchanges. The Issuer is required to make use of advertisements in television channels, radio, internet etc. to disseminate information relating to the application process. Such advertisements can be in the form of crawlers/ tickers as well.

- iii. In terms of SEBI circular dated January 22, 2020, SEBI introduced dematerialized rights entitlements (REs). Further, physical shareholders are required to provide their demat account details to Issuer/ Registrar to the Issue for credit of REs. In view of COVID-19 pandemic and the lockdown measures undertaken by Central and State Governments, in case the physical shareholders who have not been able to open a demat account or are unable to communicate their demat details, in terms of clause 1.3.4 of SEBI circular dated January 22, 2020, to the issuer/ registrar for credit of REs within specified time, such physical shareholders may be allowed to submit their application subject to following conditions:

- a) Issuer along with lead manager(s) and other recognized intermediary shall institute a mechanism to allow physical shareholders to apply in the rights issue. Issuer along with lead manager(s) shall ensure to take adequate steps to communicate such a mechanism to physical shareholders before the opening of the issue.
 - b) Such shareholder shall not be eligible to renounce their rights entitlements.
 - c) Such physical shareholders shall receive shares, in respect of their application, only in demat mode. The lead managers may also be guided by Para 10 of the Form A Schedule V of the ICDR Regulations.
- iv. Regulation 76 of the ICDR Regulations requires that an applicant to the rights issue shall do so only through the Applications Supported by Blocked Amount (ASBA) facility, which facility shall be provided by the issuer in the manner specified by SEBI.
Provided that payment through any other electronic banking mode shall be permitted in respect of an application made for any reserved portion outside the issue period.

In view of the difficulties faced due to COVID-19 pandemic and the lockdown measures, and in order to ensure that all eligible shareholders are able to apply to rights issue during such times, SEBI vide its circular stated that the issuer shall along with lead manager(s) to the issue, the registrar, and other recognized intermediaries (as deemed fit by issuer and lead manager(s)) institute an optional mechanism (non- cash mode only) to accept the applications of the shareholders subject to ensuring that no third party payments shall be allowed in respect of any application.

- v. In respect of mechanism at point (iii) and (iv) above, SEBI requires that the issuer along with the Lead Managers shall ensure the following:
- a) The mechanism(s) shall only be an additional option and not a replacement of the existing process. As far as possible, attempts will be made to adhere to the existing prescribed framework.
 - b) The mechanism(s) shall be transparent, robust and have adequate checks and balances. It should aim at facilitating subscription in an efficient manner without imposing any additional costs on investors. The issuer along with lead manager(s), and registrar shall satisfy themselves about the transparency, fairness and integrity of such mechanism.
 - c) An FAQ, online dedicated investor helpdesk, and helpline shall be created by the issuer company along with lead manager(s) to guide investors in gaining familiarity with the application process and resolve difficulties faced by investors on priority basis.
 - d) The issuer along with lead manager(s), registrar, and other recognized intermediaries (as incorporated in the mechanism) shall be responsible for all investor complaints.

vi. In respect of all offer documents filed until July 31, 2020, SEBI has decided to grant the following relaxations:

- a) Authentication/ certification/ Undertaking(s) in respect of offer documents, may be done using digital signature certifications.
- b) The issuer along with lead manager(s) shall provide procedure for inspection of material documents electronically.



DIRECT TAX UPDATES

Supreme Court Holds Refunds May be Withheld When a Scrutiny Assessment is Pending:

Background

Vodafone filed tax returns for years of assessment 2014-15, 2015-16, 2016-17, and 2017-18, including claims for refunds in each return amounting to over INR 4,700 crore (over INR 47 billion). However, Vodafone was also subject to final scrutiny assessment proceedings, for which notices were issued. As the assessment proceedings were ongoing, the assessing officer determined that the claimed refunds could not be provided.

Considering that there was complete inaction regarding the refunds, Vodafone submitted writ petition to the High Court asking that the refunds be granted with interest. The High Court dismissed the petition and issued a letter to Vodafone stating that it would be prejudicial to the interest of Revenue to process the returns, especially considering the pending special audit, the pending scrutiny, and the pending demands in Vodafone's case. Aggrieved by the High Court's decision, Vodafone appealed to the Supreme Court.

Ruling of the Supreme Court

In its judgment, the Supreme Court largely upheld the High Court Decision.

In respect of assessment years ending on 31 March 2017 or before, the Supreme Court held that if a scrutiny notice was issued in conformity with the requirements stated in sub-section (2) of Section 143 of the Income Tax Act, 1961 (the Act), it shall not be necessary to process the refund under subsection (1) of

Section 143 of the Act and that the requirement to process the return shall stand overridden. This is determined based on Section 143(1D) of the Act, which includes that the processing of a return shall not be necessary, where a notice has been issued to the assesses under sub-section (2).

In respect of assessment years ending on or after 1 April 2017, the Supreme Court noted that a different regime applies, under which the requirements of Section 241A of the Act must be satisfied for a refund to be withheld. Section 241A provides the following:

"241A. Withholding of refund in certain cases - For every assessment year commencing on or after the 1st day of April, 2017 where refund of any amount becomes due to the assesses under the provisions of sub-section (1) of Section 143 and the Assessing Officer is of the opinion, having regard to the fact that a notice has been issued under sub-section (2) of Section 143 in respect of such return, that the grant of the refund is likely to adversely affect the revenue, he may, for reasons to be recorded in writing and with the previous approval of the Principal Commissioner or Commissioner, as the case may be, withheld the refund up to the date on which the assessment is made."

Considering Section 241A, the Supreme Court also found that the conditions for withholding refunds were met.

However, the Supreme Court did find in favour of Vodafone with respect to its refund claim for the assessment year 2014-15 because the final assessment order for that year had been passed and the requisite action to offset refunds against tax remaining payable has not been initiated. As such, the Court directed that the amount of INR 733 crore (INR 7.33 billion) be refunded to Vodafone within four weeks from the judgment subject to any proceedings that the Revenue may deem appropriate to initiate in accordance with the law. The Court also directed the tax authority to conclude the pending proceedings initiated pursuant to notice under sub-section (2) of Section 143 as early as possible.

Except for the directions indicated above, the Supreme Court found no merit in any of the contentions advanced by the Vodafone, and the appeal is dismissed.

Clarification with respect to residency under Section 6 of the Income Tax Act, 1961:

CBDT has issued clarification with respect to determination of residency status for individuals who had come on a visit to India during the FY 2019-20 for a particular duration and intended to leave India before the end of the financial year for maintaining their status as non-resident or not ordinary resident in India

but couldn't leave India due to lock down and suspension of International flights owing to outbreak of Novel Corona Virus.

CBDT has clarified that for the purpose of determining the residential status under Sec 6 of the Act for the FY 2019-19 in respect of individuals who had come to India on a visit before 22nd March 2020 and:

- a) Has been unable to leave India on or before 31st March 2020, his period of stay in India from 22nd March, 2020 to 31st March 2020 shall not be taken into account; or
- b) Has been quarantined in India on account of COVID – 19 on or after 1st March, 2020 and has departed on an evacuation flight on or before 31st March 2020 or has been unable to leave India on or before 31st March 2020, his period of stay from the beginning of his quarantine to his date of departure or 31st March 2020 ,as the case may be, shall not be taken into account; or
- c) Has departed on an evacuation flight on or before 31st March, 2020, his period of stay in India from 22nd May, 2020 to his date of departure shall not be taken into account.

Amendment of Mutual Agreement Procedure:

CBDT vide notification dated 6th May 2020 has amended Rule 44G of the Income Tax Rules 1962 with respect to mutual agreement procedure when a resident assessee is aggrieved by any action of the tax authorities of any country or specified territory outside India. The detailed rules are available on https://www.incometaxindia.gov.in/news/notification23_2020.pdf.



INDIRECT TAX UPDATES

GST Updates:

A. Notifications issued:

Sl No.	Notification No & Date	Particulars
1	Notification No. 38/2020-Central Tax, dt. May 05, 2020:	<p>CBIC has enabled the facility to file GSTR 3B through Electronic Verification Code (EVC) and Short Message Service (SMS) to ease the compliance procedure under the GST regime:</p> <p>i. Enablement of EVC: A registered person registered under the provisions of the Companies Act, 2013 (18 of 2013) will be allowed to file GSTR 3B through electronic verification code (EVC) during the period from April 21, 2020 to June 30, 2020.</p> <p>ii. Enablement of SMS: A registered person will be allowed to file Nil GSTR-3B for a tax period through short message service (SMS) using the registered mobile number and Nil GSTR-3B shall be verified by a registered number based One Time Password facility.</p>
2	Notification No. 40/2020-Central Tax, dt. May 05, 2020: (Corresponding amendment has been made in Karnataka Goods and service Tax Act, 2017 vide notification No. 19/2020 Dt May 07, 2020)	An E-way bill which has been generated on or before March 24, 2020 and its period of validity expires during the period from March 20, 2020 to April 15, 2020, the validity period of such e-way bill extended till May 31, 2020.
3	Notification No. 41/2020-Central Tax, dt. May 05, 2020:	The due date for furnishing of Form GSTR 9/9C for FY 18-19 has been extended till September 30, 2020.
4	Notification No. 42/2020-Central Tax, dt. May 05, 2020:	<p>The due date for furnishing Form GSTR-3B returns for the taxpayers registered in Union Territory of:</p> <p>i. Jammu & Kashmir – for the period November 2019 to February 2020 to be furnished on or before March 24, 2020.</p>

	ii. Ladakh – for the period November 2019 to December 2019 to be furnished on or before March 24, 2020 & for the period January 2020 to March 2020 to be furnished on or before May 20, 2020
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B. Circular No. 138/08/2020-GST Dt. May 06, 2020: Clarification in respect of certain challenges faced by the registered persons in implementation of provisions of GST Laws-reg:

Sl No	Issue	Clarification
Issues related to Insolvency and Bankruptcy Code, 2016, reg Notification No 11/2020- Central Tax dated March 21, 2020		
1	As per the above said notification an IRP / CIRP is required to take a separate registration within 30 days of the issuance of the notification. . It has been represented that the IRP/RP are facing difficulty in obtaining registrations during the period of the lockdown and have requested to increase the time for obtaining registration from the present 30 days limit.	Vide notification No. 39/2020- Central Tax, dated May 05,2020, the time limit required for obtaining registration by the IRP/RP in terms of special procedure prescribed vide notification No. 11/2020 – Central Tax dated March 21, 2020 has been extended. Accordingly, IRP/RP shall now be required to obtain registration within thirty days of the appointment of the IRP/RP or by June 30, 2020, whichever is later.
2	Notification specifies that the IRP/RP, in respect of a corporate debtor, has to take a new registration with effect from the date of appointment. Clarification has been sought whether IRP would be required to take a fresh registration even when they are complying with all the provisions of the GST Law under the registration of Corporate Debtor (earlier GSTIN) i.e. all the GSTR-3Bs have been filed by the Corporate debtor / IRP prior to the period of appointment of IRPs and they have not been defaulted in return filing	As per notification no. 39/2020, Dt May 05, 2020 amendment has been made to the earlier notification dt. March 21, 2020. Accordingly, it is clarified that IRP/RP would not be required to take fresh registration in those cases where statements in Form GSTR-1 under section 37 and returns in Form GSTR-3B under section 39 of the CGST Act, for all the tax periods prior to the appointment of IRP/RP, have been furnished under the registration of Corporate Debtor (earlier GSTIN)
3	Another doubt has been raised that the present notification has used the terms IRP and RP interchangeably, and in	In cases where the RP is not the same as IRP, or in cases where a different IRP/RP is appointed midway during the insolvency process, the change in the GST

	<p>cases where an appointed IRP is not ratified and a separate RP is appointed, whether the same new GSTIN shall be transferred from the IRP to RP, or both will need to take fresh registration.</p>	<p>system may be carried out by an amendment in the registration form. Changing the authorized signatory is a non- core amendment and does not require approval of tax officer. However, if the previous authorized signatory does not share the credentials with his successor, then the newly appointed person can get his details added through the Circular No. 138/08/2020-GST Page 3 of 4 Jurisdictional authority as Primary authorized signatory.</p> <p>The new registration by IRP/RP shall be required only once, and in case of any change in IRP/RP after initial appointment under IBC, it would be deemed to be change of authorized signatory and it would not be considered as a distinct person on every such change after initial appointment. Accordingly, it is clarified that such a change would need only change of authorized signatory which can be done by the authorized signatory of the Company who can add IRP /RP as new authorized signatory or failing that it can be added by the concerned jurisdictional officer on</p>
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Other COVID-19 related representations

<p>4</p>	<p>As per notification no. 40/2017-Central Tax (Rate) dated October 23, 2017, a registered supplier is allowed to supply the goods to a registered recipient (merchant exporter) at 0.1% provided, inter-alia, that the merchant exporter exports the goods within a period of ninety days from the date of issue of a tax invoice by the registered supplier. Request has been made to clarify the provision vis-à-vis the exemption provided vide notification no. 35/2020-Central Tax dated April 03, 2020.</p>	<p>Vide notification No. 35/2020-Central Tax dated April 03, 2020, time limit for compliance of any action by any person which falls during the period from March 20, 2020 to June 29, 2020 has been extended up to June 30, 2020, where completion or compliance of such action has not been made within such time.</p> <p>Notification no. 40/2017-Central Tax (Rate) dated October 23, 2017 was issued under powers conferred by section 11 of the CGST Act, 2017. The exemption provided in notification No. 35/2020-Central Tax dated April 03, 2020 is applicable for section 11 as well.</p> <p>Accordingly, it is clarified that the said requirement of exporting the goods by the merchant exporter within 90 days from the date of issue of tax invoice by the registered supplier gets extended to 30th</p>
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		June, 2020, provided the completion of such 90 days period falls within March 20, 2020 to June 29, 2020
5	Sub-rule (3) of that rule 45 of CGST Rules requires furnishing of FORM GST ITC-04 in respect of goods dispatched to a job worker or received from a job worker during a quarter on or before the 25th day of the month succeeding that quarter. Accordingly, the due date of filing of FORM GST ITC-04 for the quarter ending March, 2020 falls on 25.04.2020. Clarification has been sought as to whether the extension of time limit as provided in terms of notification No. 35/2020-Central Tax dated 03.04.2020 also covers furnishing of FORM GST ITC-04 for quarter ending March, 2020	Time limit for compliance of any action by any person which falls during the period from March 20, 2020 to June 29, 2020 has been extended up to June 30, 2020 where completion or compliance of such action has not been made within such time. Accordingly, it is clarified that the due date of furnishing of FORM GST ITC-04 for the quarter ending March, 2020 stands extended up to June 30, 2020.

C. GST Case Law: Transition credit can be availed by June 30, 2020

Brand Equity Treaties Limited Vs. Union of India – Delhi High Court

The Delhi High Court on May 5, 2020 decided a batch of writ petitions wherein petitioner was seeking permission to avail transition credit by filing TRAN-1 beyond the period of 90 days as is prescribed in Rule 117 of the Central Goods and Service Tax Rules, 2017.

Hon’ble Delhi High Court has held that period of 90 days for claiming input tax credit in TRAN-1 is directory and therefore, period of limitation of 3 years under the Limitation Act would apply. The Court has directed the Department to allow all assesseees to claim input tax credit in TRAN-1 by June 30, 2020. The direction would apply to all those who could not file TRAN-1 and claim input tax credit.

M&R Comments:

This is a huge relief for dealer’s who have not claimed transition credit of Service tax, Excise duty and other transitional credit on or before March 31, 2019. Similar relief is expected for credits not claimed during GST period and the due date for claiming is elapsed, reference was made by Honourable Finance Minister during the Budget 2020.

Customs Updates:

- A. **Notification No. 21/2020-Customs Dt. May 05, 2020:** Amended notification No. 18/2019-Customs dated 6th July, 2019 so as to increase effective rate of Road and Infrastructure Cess (RIC) collected as additional duty of customs on petrol and diesel by Rs. 8 per litre.

Central Excise Updates:

- A. **Notification No 5/2020-Central Excise, dt May 05, 2020:** Amended notification No. 05/2019-Central Excise dated July 6, 2019 so as to increase effective rate of Special Additional Excise Duty (SAED) on petrol by Rs. 2 per litre and on diesel by Rs. 5 per litre.
- B. **Notification No 6/2020-Central Excise, dt May 05, 2020:** Amended notification No. 04/2019-Central Excise dated July 6, 2019 so as to increase effective rate of Road and Infrastructure Cess (RIC) collected as additional duty of excise on petrol and diesel by Rs. 8 per litre.

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