

Relaxations provided by the Finance Minister due to spread of COVID 19 vide press release dated March 24, 2020:

1. Income Tax Related:

- Last date for filing Income Tax Returns for FY 18-19 (AY 19-20) has been extended from 31st March, 2020 to 30th June, 2020.
- Aadhaar - PAN linking date has been extended from 31st March, 2020 to 30th June, 2020.
- Vivad se Vishwas scheme has been extended from 31st March, 2020 to 30th June, 2020, i.e., no additional charge of 10% is required to be paid if disputed tax has been deposited by 30th June, 2020.
- In case of delayed payments of advanced tax, self-assessment tax, regular tax, equalization levy, STT, CTT made till 30th June, 2020, a reduced interest rate of 9% instead of 12% (i.e. 0.75% per month instead of 1/1.5 percent per month) shall be charged. No late fee/penalty would be charged for delay relating to this period.
- In case of any delay in deposit of TDS, a reduced interest of 9% instead of 12% / 18% per annum (i.e. 0.75% per month instead of 1% per month) would be charged.
- In case any 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 under the Income Tax Act is expiring between 20th March, 2020 to 29th June, 2020, then this due date has been extended to 30th June, 2020.
- Due dates for compliance by the taxpayer (i.e., investment in saving instruments under section 80C, 80D, etc., or investments for exempting tax on capital gains) has been extended for 31st March, 2020 to 30th June, 2020.

2. Goods and Services Tax Related:

- The Due date for filing GST Returns for the month of March, April and May 2020 has been extended to last week of June, 2020.
- Tax Payers having an aggregate annual turnover of less than Rs. 5 Crore need not pay any Interest, Late fee, and Penalty if complied before till 30th June 2020.
- Tax Payers having an aggregate annual turnover of more than Rs. 5 Crore shall pay a reduced rate of interest at 9% per annum (current interest rate is 18% per annum). No late fee and penalty would be charged if complied before till 30th June 2020.
- Due date for opting for composition scheme has been extended to last week of June, 2020. Further, the due date for making payments for the quarter ending 31st March, 2020 and filing of return for 2019-20 by the composition dealers has been extended to last week of June, 2020.
- Due dates for filing GST annual returns of FY 18-19 has been extended from 31st March, 2020 to last week of June, 2020.
- In case the 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 is expiring in between 20th March, 2020 to 29th June, 2020, then the due date has been extended to 30th June 2020.

3. Customs, Central Excise and Service Tax Related:

- Custom Clearance is considered as an essential service, due to which it shall continue to operate for 24/7 till end of 30th June, 2020.
- In case the 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 is expiring in between 20th March 2020 to 29th June 2020 then the due date has been extended to 30th June 2020.
- Payment date under Sabka Vishwas Scheme has been extended to 30th June, 2020. No interest for this period would be charged if paid by 30th June, 2020.

4. Ministry of Corporate Affairs Related:

- No additional fees would be charged for late filing of any document, return, statement etc., required to be filed in the MCA-21 Registry during the moratorium period from 1st April, 2020 to 30th September 2020. This would not only reduce the compliance burden, including financial burden of companies/ LLPs at large, but also would enable long-standing non-compliant companies/ LLPs to make a 'fresh start'.
- The Mandatory requirement of holding Board meetings of the companies within 120 days provided in the Companies Act, 2013, has been extended by a period of 60 days till next two quarters i.e., till 30th September 2020.
- The Applicability of Companies (Auditor's Report) Order, 2020 (CARO 2020) has been made applicable from the financial year 2020-2021 instead of from 2019-2020 as notified earlier.
- As per Schedule 4 to the Companies Act, 2013, Independent Directors are required to hold at least one meeting without the attendance of Non-independent directors and members of management. For the year 2019-20, the said provision has been relaxed, and non-compliance of same would not result in any kind of violation.
- The due date for creating a Deposit Reserves of 20% of deposits maturing during the financial year 2020-21 has been extended for 30th April 2020 to 30th June 2020.
- The due dates for Investing 15% of debentures maturing during a particular year in specified instruments has been extended from 30th April 2020 to 30th June 2020.
- As per Companies Act, 2013, all the newly incorporated companies are required to file a declaration for Commencement of Business within 6 months of incorporation. An additional time of 6 more months has allowed, i.e., a newly incorporated company can now file a declaration for Commencement of Business within 1 year of incorporation.
- 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, shall not be treated as a violation.

5. Insolvency and Bankruptcy Code Related:

- Due to the emerging financial distress faced by most companies on account of the large-scale economic distress caused by COVID 19, it has been decided to raise the threshold of default under section 4 of the IBC 2016 to Rs 1 crore (from the existing threshold of Rs 1 lakh). This will by and large prevent triggering of insolvency proceedings against MSMEs. If the current situation continues beyond 30th of April 2020, we may consider suspending section 7, 9 and 10 of the IBC 2016 for a period of 6 months so as to stop companies at large from being forced into insolvency proceedings in such force majeure causes of default.
- In case the COVID 19 issues continues beyond 30th of April 2020, Finance Minister may consider suspending section 7, 9 and 10 of the IBC 2016 (Application for Insolvency Proceedings of a corporate debtor) for a period of 6 months. However the said sections shall continue to be in force till then.

6. Financial Services Related:

- Debit cardholders to withdraw cash without any charges from any other banks' ATM for 3 months.
- Fee for non-maintenance of minimum balance will be waived.
- Bank charges would be reduced for digital trade transactions related to all trade finance consumers.

7. Fisheries Related:

- All Sanitary Permits (SIPs) for import of SPF Shrimp Broodstock and other Agriculture inputs expiring between 1st March, 2020 to 15th April, 2020 extended by 3 months
- Delay upto 1 month in arrival of consignments to be condoned.
- Rebooking of quarantine cubicles for cancelled consignments in Aquatic Quarantine Facility (AQF) Chennai without additional booking charges
- The verification of documents and grant of NOC for Quarantine would be relaxed from 7 days to 3 days

8. Department of Commerce Related:

- A detailed notification regarding Extension of timelines for various compliance and procedures would be issued by Ministry of Commerce