



**Key Insights from Finance Minister's Speech for
Relaxation in Statutory Compliances amidst
Covid-19 Crisis**

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The COVID-19 pandemic is severely affecting businesses across the country. In view of this, Finance Minister Ms. Nirmala Sitharaman announced certain reliefs and relaxations to ease the compliance burden on businesses and individuals.

Income Tax



- FY 2018-19 - last date for filing returns extended to 30-Jun-2020 from 31-Mar-2020.
- Vivad se Vishwas scheme has been extended till 30-Jun-2020 and no 10% additional charge has to be paid upto 30-Jun-2020.
- Aadhar pan linking extended upto 30-Jun-2020.
- Interest on delayed deposit of TDS reduced to 9% till 30-Jun-2020.
- Interest rate on delayed tax payments reduced to 9% from 18% p.a.
- New Due dates will be 30-Jun-2020 for the following :
 - issuance of notice, intimation, notification, approval order sanction orders, furnishing of returns, returns statement, application, reports any other documents,
 - any compliance by the tax payer including investment in saving instruments (80C) or
 - roll over of capital gains (54 to 54F),
 - any compliance under Prohibition of Benami Property Transaction Act, Black Money Act, STT law, CTT law, Equalization Levy law and Vivad se Vishwas Scheme.



- GSTR-3B returns for March, April and May 2020 have been extended to last week of June, 2020 (staggering method will be followed).
- Companies with turnover of less than INR 5 crores - no interest, late fee or penalty.
- Turnover higher than INR 5 Crores - nothing for first 15 days, thereafter interest @ 9%, no late fees, no penalties if complied before 30-Jun-2020.

- GST Annual returns of FY 2018-19 is extended to the last week of June,2020.

- Date for opting for composition scheme is extended to 30-Jun-2020. Moreover, last date for making payment for the quarter ending 31-Mar-2020 and filing of return by composition dealers will be extended till last week of June,2020.

- Due date for opting for Sabka Vishwas Scheme was extended to 31-Mar-2020. Now, this timeline is again extended to 30-Jun-2020. Irrespective of the amount under dispute, no interest will be levied if paid upto 30-Jun-2020.

- New Due dates will be 30-Jun-2020 for the following :
 - 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 and Customs where the time limit is expiring between 20-Mar-2020 to 29-Jun-2020.

- 24 x7 Custom clearance till end of 30-Jun-2020.

Corporate Affairs



- Applicability of CARO 2020 shall be from FY 2020-21 instead of FY 2019-20.
- In respect of MCA 21 filings, there is a moratorium being issued from 1-Apr-2020 till 30-Sep-2020 - no additional fees for late filing.
- Time limit for holding Board meetings relaxed by a period of 60 days and it's applicable till the next two quarters
- For FY 2019-20, if independent directors are not able to hold even one meeting, the same shall not be considered a violation.
- Company directors, who have not complied with minimum residency in India (stay in India for more than 182 days) will not be considered a violation.
- For newly incorporated companies, there is a requirement to file declaration for commencement of business within 6 months of incorporation. Additional time of 6 more months is given.
- The time limit for investment of 15% of debentures (maturing during a particular year) in specified instruments is 30-Apr-2020. This time limit is extended to 30-Jun-2020.
- Creation of reserve for deposits maturing during FY 2020-21, whose due date is 30-Apr-2020 is shifted to 30-Jun-2020.

IBC



- Threshold for default as it exists now is INR 1 Lakh. This threshold is raised to INR 1 Crore so that MSME's can be prevented insolvency proceedings. This gets implemented straightaway. If the situation continues to be similar to what it is today beyond 30-Apr-2020, then suspension of Sections 7,9 & 10 of IBC may be consider for a period of 6 months, so that companies will be stopped from being forced into insolvency procedures.

Financial Services



- Bank charges reduced for all digital trade transactions for all trade finance consumers.
- Debit card holders who withdraw cash from any bank ATM can do it free of charge for the next 3 months.
- There shall not be any minimum balance requirement fee. Complete waiver of fee for non-maintenance of minimum balance. This waiver is for the next 3 months.

Department of Fisheries



- Sanitary Import Permits expiring between 1-Mar-2020 & 15-Apr-2020 are all now being extended by 3 more months.
- Delay upto one month in the arrival of consignments will be condoned.
- Verification of documents & grant of NOC for quarantine would be relaxed from 7 days to 3 days.