# PKP NEWSLETTER

**An initiative by Pratapkaran Paul and Co**

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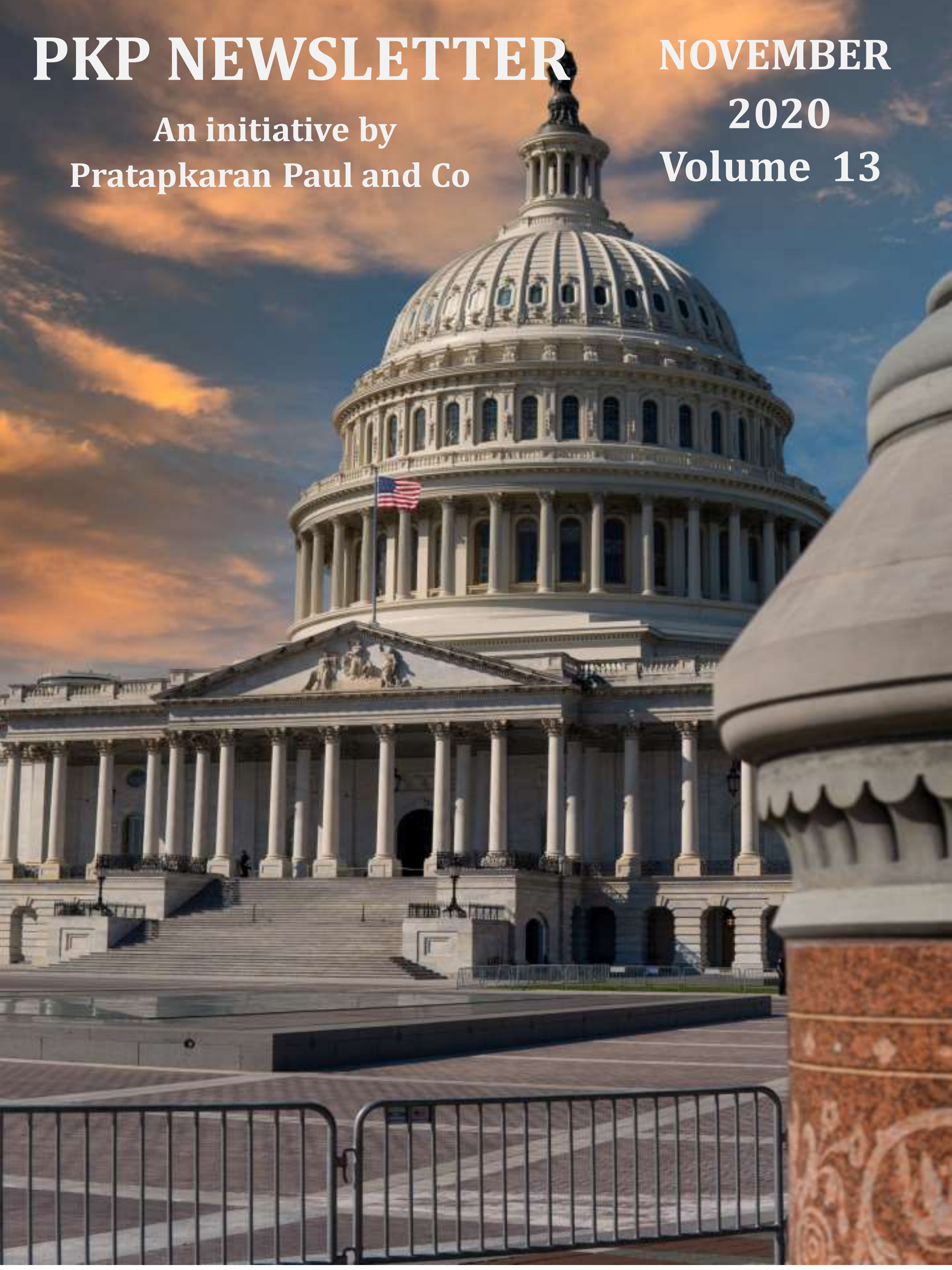

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# Inside

## Managing partner address:

Dear PKPians,

13 is considered an unlucky number and you even have instances where this number is omitted. However it is pleasing to note that this edition contains topical issues which are useful to our clients.

The progression from the first edition is evident from the way in which this has evolved. It is now topical and informative, with a ready reckoner of the compliances for the month also. In the age of Covid and the uncertainties which it brings, target dates and deadlines have been constantly changed. Some to our advantage and many to our disadvantage. The underlying reason remains that we are in an age where the disruption to business is due to various factors- both internal and external. We have successfully been ahead of the curve and ensured that our deadline targets have been met or at least within completion range.

## Managing partner address:

Delays and postponement are always detrimental. The CA exams , having been postponed are now being scheduled, with riders and there is an opt out facility. In spite of all of this, there is still the expectation that each student has prepared and is fully ready to take the examination and the challenges it throws at him or her. We have had a number of our students getting ready and I once again wish all of them the very best as they get ready to undergo the examination.

“ When the going gets tough, the tough get going“ is an oft repeated statement. However I must say that each and every person in PKP has risen to the occasion and faced the challenges head on. This has helped in completing our assignments on time and also plan for the future new audits and assignments.

Vaccine and their reliability is the news of the day, however the WHO is clear in its outlook that it is better to be safe than to be sorry. Continue with the social distancing, wearing of mask and avoiding unnecessary travel. This will hold you in good stead.

Follow all the precautions and continue to stay safe.

A very Happy Diwali to you and all the members of your family.

**Pratapkaran Paul**
**Managing Partner**

# FCRA Amendments 2020

CA. Sirisha
Senior Associate

## INTRODUCTION:

- Foreign Contribution (Regulation) Act 2010 ("FCRA 2010"or "Act") came in effect from 01-05-2011 by replacing Foreign Contribution (Regulation) Act, 1976. Erstwhile Act of 1976 was repealed due to limitations and lenient provisions which had shortcomings to detriment the national interest.
- FCRA 2010 regulates the acceptance and utilization of foreign contribution or foreign hospitality in India to prohibit acceptance and utilization of foreign contribution/foreign hospitality for any activities which are detrimental to the national/social interest
- With an objective of enforcing stringent FCRA regulations and to bring more transparency, control and accountability, The Ministry of Home Affairs, Government of India (Government) introduced the Foreign Contribution (Regulation) Amendment Bill, 2020 (Bill) in the Parliament to amend the provisions of the Foreign Contribution Regulation Act, 2010 (Foreign contribution Regulation Contribution Regulation Act )

- The introduction of the Bill was met with stern opposition from members of the opposition in the Parliament and from the civil society. However, despite the opposition, the Bill has been passed in both the houses of the Parliament and made effective from 29-09-2020.

## Key Changes in FCRA:

### 1.Prohibition on "public servant" from receiving foreign contribution:

The Bill amends Section 3 of FCRA to include **“Public Servants”** in the list of persons who are prohibited from receiving foreign contribution. Section 3 already prohibited Judges, Government servants and employees of Government owned or controlled corporations or bodies from receiving foreign contribution.

### 2.Prohibition on transfer of foreign contributions:

Section 7 of FCRA prohibits person authorized under FCRA to receive foreign contributions, from transferring such foreign contributions to any person. The existing section of FCRA permits transfer of foreign contributions to others registered under FCRA or who have obtained prior permissions under FCRA for receiving foreign contributions. This amendment will be a major blow to NGOs working collaboratively on projects and programs.

## 3.Lowering of the administrative expense cap:

The Bill amends Section 8 of FCRA to decrease the cap on administrative expenses through foreign contributions to 20% from the existing 50%.

## 4. Power to prohibit a foreign contribution recipient from utilizing/receiving its funds:

The Bill amends Section 11 of FCRA to empower the Government to prohibit a person who had received permission under FCRA to utilize/ receive foreign contribution without Government approval, if the Government based on a summary inquiry, believes that such person has contravened the FCRA. Such a restriction can be imposed by the Government pending further inquiry and before a person is found guilty of such contravention. The existing Section 11 of FCRA imposes such a restriction only when such a person is found guilty of an FCRA contravention

## 5.Mandatory opening of FCRA bank account in State Bank of India, Delhi:

FCRA, 2020 mandates the recipient of foreign contribution to receive foreign contribution only in an account designated as "FCRA Account" opened in a branch of the State Bank of India at New Delhi. However, relaxation has been provided to open another FCRA Account in any of the scheduled banks in India for the purpose of keeping or utilizing the foreign contribution which has been received in the branch of State Bank of India at New Delhi. Such amendment shall enable the government to supervise and administer all the foreign contribution from a centralized location.

## 6.Opening of FCRA Account:

Opening of FCRA account has been mandatory prior to applying for registration/prior permission. This amendment seems more of procedural in nature since the online FCRA mandatorily requires stating the FCRA bank account number.

## 7.Identification of all office bearers or directors or other key functionaries:

Aadhaar Card has been mandatory for Trustees/Members applying of the entity/organization for applying FCRA. For Foreign nationals including NRI/OCI/Trustees/Members, Passport/OCI card has to be mandatorily stated in application form.

## 8.Increase in the maximum limit for the period of suspension:

The Bill amends Section 13 of FCRA to give the Government the power to suspend the registration certificate of a person for up to 360 days (which currently is 180 days) pending an inquiry for cancellation of FCRA registration.

## 9.Suo motto surrender of registration:

A person can voluntarily surrender the FCRA registration provided that government is satisfied that the person has not contravened any provision of the Act. Post surrender, the management of the foreign contribution and related assets will then vest with the prescribed authority. Even in case of surrender the portion of foreign contribution shall not be permitted to be remitted back.

## 10.Change in procedure at the time of renewal of registration:

As per the erstwhile provisions, every person to whom FCRA registration was granted, was required to get his registration renewed within 6 months before the expiry of the registration certificate. As per FCRA 2020, Renewal certificate shall be issued by MHA subject to inquiry/investigation post application for renewal.

# Export Data Processing and Monitoring System (EDPMS) & Import Data Processing and Monitoring System (IDPMS)

Nitheesh Kumar,
Article Assistant

Gayathri,
Article Assistant

## Introduction:

Reporting and monitoring of cross-border trade has always been a paper intensive and largely manual process, with documentation moving between the various stakeholders such as the exporter/importer, Customs, DGFT, RBI and the Authorised Dealers. There have been various initiatives to make the entire process more streamlined, and the Data Processing & Monitoring Systems for handling reporting of export transactions and import transactions are key among them.

## EDPMS:

The Export Data Processing and Monitoring System (EDPMS) is an online software introduced by the RBI in 2014 for all banks to bring their transactions with the exporters online. Under the system, the banks download the shipping bills or softex forms issued by export agencies such as customs, special economic zones (SEZ) and Software Technology Parks of India (STPIs), bill of entry issued by ports.

This data is then matched with the data on inward remittance of export proceeds from the exporting company. The data set allow banks to immediately track the status of each consignment exported with all instruments and also allow exporters to claim benefits faster. It has been cited as an example of improved foreign trade operations done by India and has contributed to the country's improved score in the Ease of Doing Business index.

## IDPMS:

IDPMS refers to Import Data Processing and Monitoring System. RBI has constituted a working group which included FED,DGFT,SEZ,FEDAI & selected authorized dealers, to frame a comprehensive IT system to facilitate efficient processing of all import transactions and effective monitoring thereof. The working group had recommended development of a robust and effective IT- based system "Import Data Processing and Monitoring System "(IDPMS) on the lines of "Export Data Processing and Monitoring System" (EDPMS) in consultation with the customs authorities and other stakeholders.

## Background and Objective

## EDPMS:

The Reserve Bank of India had launched a comprehensive IT-based system called Export Data Processing and Monitoring System (EDPMS) for better monitoring of export of goods and software and facilitating AD banks to report various returns through a single platform. The EDPMS had been operationalized with effect from February 28, 2014 and the same was be available to AD banks with effect from March 01, 2014. Through this circular, RBI intends to simplify the procedure for filing returns on a single platform and for better monitoring; to integrate the returns related to

a) Handling of shipping bills for caution listed exporters;
b) Delayed utilization of advances received for exports; and
c) Exports outstanding


**IDPMS:**

In order to enhance ease of doing business and facilitate efficient data processing for payment of import transactions and effective monitoring thereof, Import Data Processing and Monitoring System (IDPMS) has been developed in consultation with the Customs authorities and other stakeholders. The details of IDPMS were advised to the AD Category-I banks vide above mentioned A.P. (DIR Series) Circular No.65 dated April 28, 2016 and banks were requested to be ready with the required IT changes in their system to generate/submit the data

a) Paperless secure transmission of data relating to imports through from customs, IDPMS to authorized dealers and vice versa
b) Import Bill of entry(BoE) management by bank settlement, extension and adjust / closure
c) Outward remittance management(ORM) by bank Outward Remittance Notification and adjust/closure
d) Multiple ORMs against single BoE and vice versa

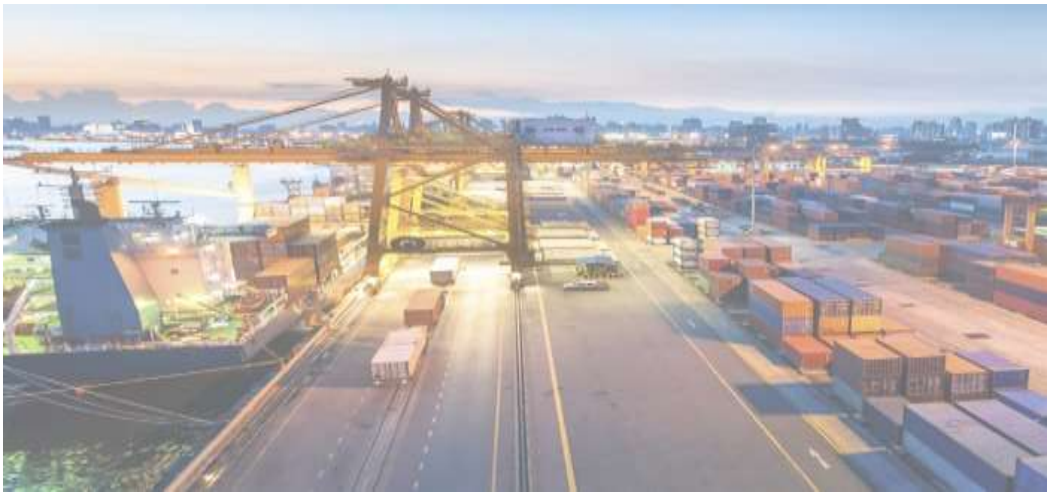
Banks have direct access to download/upload BoE issued by customs or customers

## Benefits of Registration

**EDPMS:**

- Effective tracking of export transactions.
- An alternative to filing paper based documents which will facilitate AD banks to report various related returns through a single platform.
- Minimise manual data entry at various stages.
- Reduction in reporting burden by ADs.
- In case export documents are submitted to the ADs other than declared AD in the export document, in such cases AD who has received the documents can raise a request to the original AD for transfer of shipping bill in their favour. This process will eliminate acceptance of physical NOC.
- When exporter has not submitted the documents to the AD, in EDPMS the status of the shipping bill

under IDPMS as per specified message format and technical specification will be shown as outstanding due to non submission of documents. This acts as a very important tool for the Banks to keep a track of the exports made by a particular exporter.



**IDPMS:**

- Ensure better import compliance
- Alternative to filing paper
- Easier tracking / generation of export transactions /data/ history
- Stop /minimize manual data entry work at AD banks

Value addition in banking business

**IDPMS:**

Based on the AD code declared by the importer, the banks shall download the Bill of Entry (BOE) issued by EDI ports from "BOE Master" in IDPMS. For non-EDI ports, AD banks of the importer shall upload the BoE data in IDPMS as per message format "Manual BoE reporting" on daily basis on receipt of BoE from the customer/customs office.

AD banks will enter BOE details and mark off ORMs as per the message format "BOE Settlement"

In case of payment after receipt of BoE, the AD bank shall generate ORM for import payments made by the importer customer as per the message format "BOE Settlement"

Multiple ORMs can be settled against single BoE and also multiple BoEs can be settled against one ORM.

# Caution List

From the circular issued by Reserve Bank of India, Mumbai circular No.74, dated on 26, May 2016 notifies the following list

- *The exporters would be caution listed if any shipping bill against them remains open i.e unrealised for more* ***than two years*** *in Export Data Processing Management System (EDPMS) of RBI provided no extension is granted by AD Category – I bank / RBI. Date of shipment will be considered for reckoning the realization period.*

- *Once related bills are realized and closed or extension for realization is granted, the exporter will automatically be de-caution listed.*
- *The exporters can also be caution listed even before the expiry of two years period based on the recommendation of AD banks. The recommendation may be based on cases where exporter has come to adverse notice of the Enforcement Directorate(ED) / Central Bureau of Investigation (CBI) / Directorate of Revenue Intelligence (DRI) / any such other law enforcement agency or the case where exporter is not traceable or not making any serious efforts for realization of export proceeds. In such cases, AD may forward its findings to the concerned regional office of RBI recommending inclusion of the name of the exporter in the caution list.*
- *Reserve Bank will caution / de-caution the exporters in such cases based on the recommendation of AD Category – I banks.*
- *The exporter has declared that the export proceeds have been realized in full for the export bills lying open in EDPMS and eBRC has been issued by bank/s and necessary reconciliation will be completed* ***within 15 days****.*

- *In cases where the bills are not realized / partially realized, then the exporter should have submitted request to AD/s for*
- *Extension of time for realization of export bills and / or*

- *Request to AD/s for write off of export bills (fully or partially, as the case may be).*
- *Request for cancellation of shipping bill has been submitted by the exporter to the Customs*

➢ *Exporters not falling within above category i.e. the outstanding export bills' amount is more than 20 per cent of total export bills and the number of open export bills is more 10 shall have to obtain requisite approval from RBI.*

*It is clarified that:*

- *Export bills for 'free of cost' exports having requisite indicator of Customs do not lead to caution listing*
- *Export bills in respect of goods re-imported on account of quality issues or other reasons are required to be lodged and closed in EDPMS by providing necessary details.*

**Business Benefits registered under the portal**

➢ **Provides options to:**

- Consolidate and report inward remittances.
- Map payments at Bill / Shipping Bill/Softex and report at Invoice level.
- Generate and issue electronic Foreign Inward Remittance Certificate (eFIRC) to customers against the existing Inward Remittances.
- Manage electronic Bank Realization Certificate (eBRC) requirements related to Directorate General of Foreign Trade (DGFT) platform.

- Manage alert/notification to customer against each processes.

- Web Interface for all the Trade (Export and Import) Regulatory processes defined by RBI. Management Information System (MIS) reports for bank/branches.
- Multiple User level (Bank/Nodal/Branch) for data reconciliation and reporting.

## ICE GATE

Indian Customs Electronic Gateway (ICEGATE) is the national portal of Indian Customs of Central Board of Indirect Taxes and Customs (CBIC) that provides e-filing services to the Trade, Cargo Carriers and other Trading Partners electronically.

## Features of ICE GATE

It also facilitates several electronic services, including electronic filing of Bill of Entry and Shipping Bill. ICEGATE also offers services like

- Facilities for registering online for IPR,
- Verifying status of Import Export code
- Tracking document status at Customs Electronic Data Interchange
- E-payment of custom duties
- IGST refund
- Verifying DES/DEPB/EPCG license online

- Searching data through PAN
- Redirecting to websites related to Customs business

## Benefits of registration under ICE GATE

Typically, one needs to register with ICEGATE to file Bill of Entry, shipping bills and other vital documents online. Generally, a single ICEGATE registration is sufficient for transacting through all or any given EDI customs port.

Notably, registration is done for –

- Export general manifest (EGM)
- Import general manifest (IGM)
- Consol manifest
- Export
- Import

## Registration process under ICE GATE

**Step 1:**

Log on to ICEGATE's portal.

**Step 2:**

To sign up on the e-commerce portal of the Central Board of Excise & Customs, one must click on the 'Simplified Registration' link.

**Step 3:**

Enter and verify the IEC, GSTIN and the temporary password sent from the portal.

**Step 4:**

Provide essential details and fill the registration form.

**Step 5:**

Enter the unique ICEGATE ID and password.

**Step 6**:

Two different OTPs will be generated and sent to the applicant's registered email ID and mobile number.

**Step 7**:

Enter valid OTPs to finish the registration.

**Step 8**

Check the details and click on the 'Finish' button.

In case applicants want to make some changes to the email ID or details shared on the registration form, they can do so by clicking on the link marked "Click Here". Subsequently, they will need to share an alternative email ID and a mobile number. Following which, an OTP will be generated and sent on the alternative mail ID.

Individuals need to submit some documents to complete the process of registration.

- Aadhaar card
- Voter ID card
- Driving license
- Passport
- Authorisation Letter
- License or Permit
- Authorisation Letter or Order of Commissioner

## Benefits of Using ICEGATE:

With the introduction of ICEGATE, the Customs department has become more accountable. It has also helped the said department to minimise complaints related to delay in consignment delivery from the end of both importers and exporters.

**Some of the most noteworthy benefits of ICEGATE include –**

- The portal facilitates e-filing of export and import declarations
- Allows customs to reply to importers and exporters after Bills of Entry and Shipping bills are assessed.
- Helps importers and exporters to view and track their online document's status
- The portal comes in handy to raise a query and receive prompt replies.
- ICEGATE helps traders, cargo carriers and other individuals of the Customs Department to trace the location of the material and status of the bills. This factor can be used by businesses to their advantage. With the information available, they can opt for KredX's invoice discounting services and raise funds to meet their working capital requirements. They can use their unpaid invoices and access funds at attractive terms of repayment.

# Production linked incentives:

Kavin Raj S A
Article Assistant

The Union Cabinet has approved Production Linked Incentive (PLI) scheme worth ₹ 1.46 lakh crore for 10 sectors in order to boost India's manufacturing capabilities and enhancing exports. The scheme will make Indian manufacturers globally competitive and attract investment and enhance exports.

The PLI initiative is a part of the government's plan to support domestic manufacturing and convert India into an attractive and alternate manufacturing destination.

Production-linked incentives will be offered for sectors such as white goods manufacturing, pharmaceutical, specialized steel, auto, telecom, textile, food products, solar photovoltaic and cell battery.

| Priority | Sectors | Implementing Ministry/Department | Approved financial outlay over a five-year period Rs. crore |
|---|---|---|---|
| 1 | Advance Chemistry Cell (ACC) Battery | NITI Aayog and Department of Heavy Industries | 18,100.00 |
| 2 | Electronic/Technology Products | Ministry of Electronics and Information Technology | 5,000.00 |
| 3 | Automobiles & Auto Components | Department of Heavy Industries | 57,042.00 |
| 4 | Pharmaceuticals drugs | Department of Pharmaceuticals | 15,000.00 |
| 5 | Telecom & Networking Products | Department of Telecom | 12,195.00 |
| 6 | Textile Products: MMF segment and technical textiles | Ministry of Textiles | 10,683.00 |
| 7 | Food Products | Ministry of Food Processing Industries | 10,900.00 |
| 8 | High Efficiency Solar PV Modules | Ministry of New and Renewable Energy | 4,500.00 |
| 9 | White Goods (ACs & LED) | Department for Promotion of Industry and Internal Trade | 6,238.00 |
| 10 | Specialty Steel | Ministry of Steel | 6,322.00 |
| | | Total | 145,980.00 |

## Sector wise product lines

| Sector | Product Lines |
|---|---|
| **Advance chemistry cell (ACC) battery** | ACC batteries |
| **Electronics and technology** | Semiconductor fab,<br>Display fab,<br>Laptops and notebooks,<br>Servers,<br>Internet of Things (IoT) devices,<br>Specified computer hardware |
| **Automobiles and auto components** | Automobiles and auto components |
| **Pharmaceutical drugs** | Category 1 – Biopharmaceuticals,<br>Complex generic drugs,<br>Patented drugs or drugs nearing patent expiry,<br>Cell-based or gene therapy products,<br>Orphan drugs,<br>Special empty capsules,<br>Complex excipients. |
| | Category 2 – Active pharmaceutical ingredients (APIs)/<br>Key starting materials (KSMs),<br>Drug intermediaries (DIs). |
| | Category 3 – i) Repurposed drugs;<br>ii) Auto-immune drugs, anti-cancer drugs, anti-infective drugs, cardiovascular drugs, psychotropic drugs, and anti-retroviral drugs;<br>iii) In-vitro diagnostic devices (IVDs);<br>iv) Phytopharmaceuticals;<br>v) Other drugs not manufactured in India;<br>vi) Other drugs as approved |

| | |
|---|---|
| **Telecom and networking products** | Core transmission equipment, 4G/5G,<br>Next generation radio access network,<br>Access and customer premises equipment (CPE),<br>IoT access devices,<br>Other wireless equipment,<br>Enterprise equipment – switches,<br>Routers |
| **Textile products** | Man-made fiber (MMF) segment,<br>Technical textiles |
| **Food products** | Ready to eat (RTE) and ready to cook (RTC),<br>Marine products,<br>Fruits and vegetables,<br>Honey, Desi ghee, Mozzarella cheese,<br>Organic eggs,<br>Poultry meat |
| **High efficiency solar PV modules** | Solar PVs |
| **White goods** | Air conditioners and LED |
| **Specialty steel** | Coated steel,<br>High strength steel,<br>Steel rails,<br>Ally steel bars and rods |

The scheme across these 10 sectors will make Indian manufacturers globally competitive, attract investment in the areas of core competency and cutting-edge technology, ensure efficiencies, create economies of scale, enhance exports and make India an integral part of the global supply chain.

The PLI scheme will be implemented by the concerned ministries/ departments. The final proposals of PLI for individual sectors will be appraised by the Expenditure Finance Committee (EFC) and approved by the Cabinet.
The sectors covered under the PLI scheme are strategic, technology-intensive, and also important from the perspective of employment generation in the country.

## Income Tax:

### I. Notification No. 82/2020 dated 01/10/2020

The CBDT has prescribed that the assessee exercising the option under section 115BA, 115BAA and 115BAB shall restrict the rate of depreciation to 40% in case of the items of the block of assets where the rate of depreciation prescribed as per the rules are more than 40%.The same is not applicable and therefore not required to be reported for the assessment year 2020-2021.

Onetime additional depreciation is allowable @20% over and above the normal depreciation to a manufacturing domestic company for any new machinery or plant (other than ships and aircraft), acquired and installed after 31st March 2005.

The one time additional depreciation is allowable @ 35% instead of 20% in case of for any new machinery or plant (other than ships and aircraft), acquired and installed on or after 1st April 2015 but before 1st April 2020, for setting up any undertaking or enterprise in the backward area notified by the central government in the following states:

(a) Andhra Pradesh
(b) Bihar
(c) Telangana and
(d) West Bengal

Further, a **new form 10-IE** has been inserted which pertains to application for exercise/withdrawal of option under clause (i) of sub-section (5) of Section 115BAC of the Income-tax Act, 1961 and form 10-IF deal with application for exercise of option under sub-section (5) of Section 115BAD of the Income-tax Act, 1961

The following amendments have been made in the Equalisation Levy Rules, 2016:

**Definition of "electronic verification code" is added to definition Rules 2:** A new clause (aa) is added to Rule 2 to define "electronic verification code" in the following words-

*"electronic verification code" means a code generated for the purpose of electronic verification of the person furnishing the statement of specified services as per the data structure and standards laid down by the Principal Director- General of Income-tax (Systems) or Director General of Income-tax (Systems), as the case may be.*

**(2) Rounding off rules amended:** The heading of Rule 3 is amended to exclude the words "for specified services". The new heading reads as follows-

***"Rounding off of consideration, equalisation levy, etc."***
Further the words "for specified services" has also been omitted from the opening sentence of the said rule.

**(3) Amendment to payment of equalisation levy:**
Rule 4 related to payment of equalisation levy is amended to include an e-commerce operator in addition to the assessee.

**(4) Filing of annual statements:** Rule 5 is amended to include a statement of e-commerce supply or services in addition to the statement of specified services.
Further, provision to furnish a revised statement in Form No. 1 is incorporated.

**(5) Furnishing of a statement in response to notice:**
Rule 6 is amended to include the furnishing of a statement of specified services or e-commerce supply or services in response to a notice issued by the Assessing Officer.
Further, this rule is made applicable to an e-commerce operator apart from the assessee.

**(6) Notice of demand:** The notice of demand can now be served upon an assessee as well as on an e-commerce operator under Rule 7 by the Assessing Officer.

### (7) Amendment related to Appeals:

An e-commerce operator is also allowed to file an appeal before the CIT(A) as per Rule 8.

### (8) Amendment related to ITAT Appeals:

An e-commerce operator is also allowed to file an appeal before the ITAT as per Rule 9.

### (9) Substitution of Forms:

For the execution of amended provisions of the Rules, Form 1, Form 3 and Form 4 under the Equalisation Levy Rules, 2016 has been substituted with effect from 28.10.2020.

## III. Circular No 18/2020

The Central Government notifies certain relaxation in view of the COVID-19 pandemic on Vivad se Vishwas. The Central Government has extended the date for payment without additional amount under Vivad se Vishwas from 31st December, 2020 to 31st March, 2021. The last date for filing declaration under Vivad se Vishwas as 31st December, 2020. The declarant is required to pay the amount within a period of 15 days from the date of receipt of certificate from the designated authority. However, as per the aforesaid notification, a declarant who files declaration on or before 31st December, 2020 can make payment without additional amount on or before 31st March, 2021. Hence, requiring payment by the declarant within a period of 15 days from the date of receipt of certificate from the designated authority may result into undue hardship for the declarant in whose case the period of 15 days expires before 31st March, 2021.

# GST:

## I. Notification No. 73/2020 – Central Tax dated 15.10.2020

The registered persons who have prepared tax invoice other than E – invoice from the 1st day of October, 2020 to the 31st day of October, 2020, shall follow the special procedure such that the said persons shall obtain an Invoice Reference Number (IRN) for such invoices by uploading specified particulars in FORM GST INV-01 on the GST Portal, within thirty days from the date of such invoice, failing which, the same will not be treated as an invoice.

## II. Notification No. 74/2020 – Central Tax dated 15.10.2020

This notification revised the due date for filing of GSTR-1 for small tax payer who files GSTR 1 Quarterly . Registered person whose aggregate turnover in preceding financial year or current year up to 1.5 Crore , will file GSTR 1 Quarterly within 13th of succeeding month for the tax period October 2020 to March 2021

## III. Notification No. 75/2020 – Central Tax dated 15.10.2020

Registered persons having aggregate turnover of more than 1.5 crore rupees in the preceding financial year or the current year shall furnish FORM GSTR-1 for each of the months from October, 2020 to March, 2021 till the eleventh day ($11^{th}$) of the month succeeding such month.

## IV. Notification No. 76/2020 – Central Tax dated 15.10.2020

Due date of filing GSTR 3B for tax period Oct 20 to Mar 21 shall be – 20th of following month for taxpayers having turnover above 5 Crores, 22nd of following month for taxpayers having turnover upto 5 Crores and whose principal place of business is in Category A states, 24th of following month for taxpayers having turnover upto 5 Crores and whose principal place of business is in Category B states

## V. Notification No. 77/2020 – Central Tax dated 15.10.2020

The benefit of optional filing of annual return for registered persons whose aggregate turnover in a financial year does not exceed Rs 2 crore, has been extended for FY 2019-20 as well.

## VI. Notification No. 78/2020 – Central Tax dated 15.10.2020

The HSN code to be mentioned in the Tax invoice issued under rule 46 shall be as under from 1st April,2021.

| Aggregate Turnover in preceeding F.Y | No.of digits in HSN Code |
|---|---|
| Upto Rs.5crore | 4 |
| Above Rs.5 crore | 6 |

However, 8 digit HSN Codes will be mandatory for export and import transactions.

## VII. Notification No. 79/2020 – Central Tax dated 15.10.2020

**Rule 67A** - NIL returns – GSTR 1, GSTR-3B and CMP-08 can be filed through Short messaging service (SMS) facility.

**Rule 80(3)** - For financial year 2018-19 and 2019-20 , account need to be audited under section 35(5) and GSTR 9C need to be filed only if the T/O exceeds 5 Crore during a financial year.

Note: Normally the threshold limit for audit and filing of GSTR 9C is Rs 2 Crores..

**Rule 138E** – The restriction of blocking of E-waybills will not apply during the period from the 20th day of March, 2020 till the 15th day of October, 2020 in case where the return in FORM GSTR-3B or the statement of outward supplies in FORM GSTR-1 or the statement in FORM GST CMP-08, as the case may be, has not been furnished for the period February, 2020 to August, 2020.

This means from 16th October, 2020 the blocking of e-waybills will be applicable if the GSTR3B or GST CMP08 is not filed for the 2 successive tax periods.

## VIII. Notification No. 80/2020 – Central Tax dated 15.10.2020

CBIC extends the due date u/s 44 of CGST Act 2017 for filing of Annual Return (FORM GSTR-9/GSTR-9A) and Reconciliation Statement (FORM GSTR-9C) for Financial Year 2018-19 from 31st October 2020 to 31st December, 2020.

## GST

| Return | Tax Period | Turnover | Due dates |
|---|---|---|---|
| GSTR-1 | Oct-20 | Above 1.5 Cr | 11th Nov 2020 |
| GSTR-7 | Oct-20 | TDS | 10th Nov 2020 |
| GSTR-8 | Oct-20 | TCS | 10th Nov 2020 |
| GSTR-6 | Oct-20 | Input Service Distributor | 13th Nov 2020 |
| GSTR-3B | Oct-20 | Above 5 Cr | 20th Nov 2020 |
| GSTR-5 | Oct-20 | Return for Non-Resident | 20th Nov 2020 |
| GSTR-5A | Oct-20 | OIDAR Service | 20th Nov 2020 |
| GSTR-3B | Oct-20 | Below 5 Cr (State-A) | 22th Nov 2020 |
| GSTR-3B | Oct-20 | Below 5 Cr (State-B) | 24th Nov 2020 |

### State-A

Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, the Union Territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands and Lakshadweep.

### State-B

Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand, Odisha, the Union Territories of Jammu and Kashmir, Ladakh, Chandigarh and Delhi.

# Income Tax

| Particulars | Period | Due Date |
|---|---|---|
| TDS/TCS Deposit | Oct-20 | 7th Nov 2020 |
| Income Tax Return | FY 2018-19 (AY 2019-20) | 30th Nov 2020 |

# PF&ESI

| S.No | Particulars | Period | Due Date |
|---|---|---|---|
| 1 | PF Payment | Oct-20 | 15th Nov 2020 |
| 2 | ESIC Payment | Oct-20 | 15th Nov 2020 |

PRATAPKARAN PAUL AND CO.,
CHARTERED ACCOUNTATNTS

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