

# A Complete Saga of reliefs granted by GoI for rebooting Indian Economy!!!!

## Introduction

With continuous rise in COVID-19 cases all across the globe, the nation-wide lockdown has been further extended to 19 days in order to institutionalize social distancing and help prevent the spread of the Novel Coronavirus. Since social distancing is the only potent solution to stop community spread, I urge to all my fellow colleagues to follow the directions of the government and encourage others to do the same. As Swami Vivekananda said – “the world is the great gymnasium where we come to make ourselves strong”. It is time for us not to let feelings of distress overpower us. We need to derive strength from each other and stand together as a community to overcome the challenges which humankind is going through currently.



**CA DEEPALI MISHRA**

As the complete nation has come to halt the global and national economy will see daunting challenges. Thus, it becomes more over essential to provide incentives/reliefs to the taxpayers in order to prostrate the loss of economy to some extent. Here is the complete guide of relief measures taken by the Government of India in view of COVID-19 outbreak, especially on statutory and regulatory compliance matters related to several sectors.

Stay Home, Stay Safe, Stay Healthy.....

Happy Reading 😊

## **GST RELATED**

### **For Composition Scheme**

Central Government vide **Notification No. 30/2020- Central Tax, dated 03.04.2020** made amendment in the CGST Rules so as to allow taxpayers opting for the Composition Scheme for the financial year 2020-21 to file their option in **FORM CMP-02 till 30th June, 2020**.

The said class of taxpayers have been allowed, to, -

- (i) furnish the statement of details of payment of self-assessed tax in FORM GST CMP-08 for the quarter January to March, 2020 by 07.07.2020; and
- (ii) furnish the return in FORM GSTR-4 for the financial year 2019-20 by 15.07.2020.

In addition to the above, taxpayers opting for the composition scheme for the financial year 2020-21, have been allowed, as per the notification No. 30/2020- Central Tax, dated 03.04.2020, to, -

- (i) file an intimation in FORM GST CMP-02 by 30.06.2020; and
- (ii) furnish the statement in FORM GST ITC-03 till 31.07.2020.

### Relaxation in matching of Input Tax Credit with GSTR-2A

Central Government vide **Notification No. 30/2020- Central Tax, dated 03.04.2020** made further amendment in the CGST Rules to allow cumulative application of the condition in rule 36(4) for the months of February, 2020 to August, 2020 in the return for tax period of September, 2020.

Let's understand the same with simple illustration: -

Tax Period	Eligible ITC as per Books	Eligible ITC as per GSTR 2A	ITC that can be taken in GSTR 3B
February 2020	5,00,000	4,00,000	5,00,000
March 2020	7,50,000	6,00,000	7,50,000
April 2020	3,00,000	3,50,000	3,00,000
May 2020	8,50,000	5,00,000	8,50,000
June 2020	6,00,000	7,50,000	6,00,000
July 2020	5,00,000	3,50,000	5,00,000
August 2020	6,00,000	3,00,000	6,00,000
<b>Total</b>	<b>41,00,000</b>	<b>32,50,000</b>	<b>41,00,000</b>
ITC Allowed as per Rule 36(4)	$32,50,000 + 10\% = 35,75,000$		
Excess ITC Availed	$41,00,000 - 35,75,000 = 5,25,000$		
September 2020	10,00,000	8,50,000	
ITC Allowed as per Rule 36(4)	$8,50,000 + 10\% = 9,35,000$		
ITC that can be availed in the month of September 2020	$9,35,000 - 5,25,000$		4,10,000

**Recommendation:** It is better to reverse ITC of Rs. 5,25,000 in Column 4 (B)(2) of Table 4 of GSTR 3B then to claim net ITC of Rs. 4,10,000 in Column 4(A)(5) of Table 4 of GSTR 3B.

### Conditional Waiver/Lowering of interest rate for delay in furnishing of FORM GSTR-3B for tax periods of February, 2020 to April, 2020

Central Government vide **Notification No. 31/2020- Central Tax, dated 03.04.2020** waived/ lowered the interest payable for the class of registered persons ,who are required to furnish the returns in FORM GSTR-3B, but fails to furnish the said return along with payment of tax for the months of February, March & April, 2020, subject to certain conditions.

**Editorial Comment:** It is pertinent to note here that the due dates for furnishing FORM GSTR-3B for the months of February, March and April, 2020 has not been extended however NIL rate of interest for first 15 days after the due date of filing return in FORM GSTR-3B and reduced rate of interest @ 9% thereafter has been notified for those registered persons whose aggregate turnover in the preceding financial year is above Rs. 5 Crore.

For those registered persons having turnover up to Rs. 5 Crore in the preceding financial year, NIL rate of interest has been notified.

Summarized chart of Due dates and lower/Nil rate of interest has been described as under:

S. No	Class of registered person	ROI	Tax Period	Condition
1	Taxpayers having an aggregate turnover of more than rupees 5 crores in the preceding financial year	Nil for first 15 days from the due date, and 9 per cent thereafter	February, 2020, March 2020, April 2020	If return in FORM GSTR-3B is furnished on or before the 24 <sup>TH</sup> day of June, 2020
2	Taxpayers having an aggregate turnover of more than rupees 1.5 crores and up to rupees five crores in the preceding financial year	Nil	February, 2020, March, 2020	If return in FORM GSTR-3B is furnished on or before the 29 <sup>TH</sup> day of June, 2020
			April, 2020	If return in FORM GSTR-3B is furnished on or before the 30 <sup>th</sup> day of June, 2020
3	Taxpayers having an aggregate turnover of up to rupees 1.5 crores in the preceding financial year	Nil	February, 2020	If return in FORM GSTR-3B is furnished on or before the 30 <sup>th</sup> day of June, 2020
			March, 2020	If return in FORM GSTR-3B is furnished on or before the 3 <sup>rd</sup> day of July, 2020
			April, 2020	If return in FORM GSTR-3B is furnished on or before the 6 <sup>th</sup> day of July, 2020."

## **Waiver for late fee for delay in furnishing of FORM GSTR-3B for tax periods of February, 2020 to April, 2020**

Vide **Notification No. 32/2020- Central Tax, dated 03.04.2020** central government waived the of late fee for delay in furnishing returns in FORM GSTR-3B for the tax periods of February, 2020 to April, 2020, provided the return in FORM GSTR-3B by the date as specified in the Notification is duly furnished.

Central Government vide **Notification No. 33/2020- Central Tax, dated 03.04.2020** also waived of late fee for delay in furnishing the statement of outward supplies in FORM GSTR-1 for taxpayers for the tax periods March, 2020 to May, 2020 and for quarter ending 31st March 2020 if the same are furnished on or before 30th day of June, 2020.

## **Extension of Due Dates of Compliances**

Central Government vide **Notification No. 35/2020- Central Tax, dated 03.04.2020** extended due date of compliances which falls during the period from the 20th day of March, 2020 to the 29th day of June, to 30th day of June, 2020 which includes

- completion of any proceeding or passing of any order or issuance of any notice, intimation, notification, sanction or approval or such other action, by whatever name called, by any authority, commission or tribunal, under the provisions of the GST Act thereby giving the extension to the departmental authorities to proceed or pass any order or issue any notice or sanction or approve the applications or take any such actions which were required to be taken between 20th March, 2020 to 29th June, 2020 by 30th June, 2020
- filing of any appeal, reply or application or furnishing of any report, document, return, statement or such other record under the provisions of the GST Act thereby extending the date to 30th June, 2020 where the last date to file a reply or appeal or application or any other documents or statement falls due between 20th March, 2020 and 29th June, 2020. and
- TDS/TCS returns under GST, return to be furnished by Input Service Distributors and return to be furnished by Non-Resident Taxable Person for the months of March, 2020 to May, 2020 have been extended up to 30th day of June, 2020.

## **Extension of Validity of E way Bill**

Central Government also extended the validity of an E-Way Bill generated under Rule 138 of the Central Goods and Services Tax Rules, 2017 till the 30<sup>th</sup> day of April, 2020 whose period of validity expires during the period 20<sup>th</sup> day of March, 2020 to 15<sup>th</sup> day of April, 2020.

However, it shall be noted that there has been no escape from preparation of E-Way Bill in case of transportation of goods during the lock down period.

It is worth mentioning that the central government vide **Notification No. 35/2020- Central Tax, dated 03.04.2020** clearly specified that no extension for followings shall be considered vide this notification: -

1. Registration related Procedures as envisaged in Section 25 read with Rules thereon including provisions related to casual taxable persons and non - resident taxable persons.
2. In case a person who has opted to pay tax under composition levy scheme crosses the turnover limit of Rs. 1.50 crore, the person shall be required to pay tax as per the normal tax rates and he shall not be eligible to continue paying tax under composition levy scheme as per the provisions of Section 10(3) of CGST Act, 2017 and as per Rule 6(2) of the CGST Rules, 2017, the said person shall issue tax invoice for every taxable supply made thereafter and he shall also file an intimation
3. For withdrawal from the scheme in FORM GST CMP-04 within seven days of the occurrence of such event. There is no extension in the said time limit.
4. Time Limit of Issuance of Tax Invoice, Bill of Supply, Receipt Voucher, Payment Voucher, Refund Vouchers as per the provisions of Section 31 read with Rule 47 and other relevant rules.
5. Penalty for certain offences as specified in Section 122 or CGST Act, 2017
6. No relief in time limit with respect to provisions of detention, seizure and release of goods and conveyance in transit with respect to transportation of goods or storage of goods in contravention of the provisions of the GST Act as specified in Section 129 read with Rule 139 of CGST Rules, 2017 as amended from time to time.
7. No relaxation in time limit of one month for intimation by a partner in case of his retirement from the firm as provided for in the provisions of Section 90 dealing with liability of partners of firm to pay tax.
8. No relief with respect to the time limit applicable in case of provisions relating to power to arrest provided in Section 69
9. Filing of Returns, Late Fees and Interest other than relief mentioned in point no. 3 and 4 above.
10. Time Limit for compliance with the provisions of Time and Value of Supply as provided for in Section 12 to 15 of CGST Act, 2017 read with Rules thereon.

### **Extension of Due Date for Filing GSTR 3B for the month of May 2020**

Central Government vide [Notification No. 36/2020 Central tax dated 3rd April 2020](#) extended the due date for filing of FORM GSTR 3B as stated below: -

S.No.	States	Turnover	Due Date of filing GSTR 3B
A	-	More than 5 crores	27 <sup>th</sup> June 2020
B	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 or Lakshadweep	Up to Rs. 5 Crores	12 <sup>th</sup> July 2020
C	Other than B above	Up to Rs. 5 Crores	14 <sup>th</sup> July 2020

### Relaxation related to LuT expiring 31<sup>st</sup> March 2020

In terms of Notification No. 35/2020-Central Tax, time limit for filing of LUT for the year 2020-21 shall stand extended to 30.06.2020 and the taxpayer can continue to make the supply without payment of tax under LUT provided that the FORM GST RFD-11 for 2020-21 is furnished on or before 30.06.2020. Taxpayers may quote the reference no of the LUT for the year 2019-20 in the relevant documents.

### **CUSTOM RELATED**

### **Exemption of customs duty on ventilators, personal protection equipment's, covid-19 testing kits and inputs for these goods.**

The Central Government vide [Notification No. 20/2020- Customs dated 9<sup>th</sup> April 2020](#) has **exempted the following goods** from whole of the duty of **customs** leviable thereon under the First Schedule to the said Customs Tariff Act and the whole of **health cess** leviable thereon under section 141 the said of Finance Act, 2020:

S.No	Chapter or Heading or sub-heading or tariff item	Description of goods
1	9018 or 9019	Artificial respiration or other therapeutic respiration apparatus (Ventilators)
2	63 or any chapter	Face masks and surgical Masks
3	62 or any chapter	Personal protection equipment (PPE)
4	30, 38 or any chapter	Covid-19 testing kits
5	Any Chapter	Inputs for manufacture of items at S. Nos. 1 to 4 above, subject to the condition that the importer follows the procedure set out in the Customs (Import of Goods at Concessional Rate of Duty) Rules, 2017.

This notification **shall remain in force upto** and inclusive of **the 30th September, 2020**.

### **Special Refund and Drawback Disposal Drive – Implementation of decision to expedite pending refund and drawback claims**

In line with the decision to release all pending refunds in order to provide immediate relief to the business entities, especially MSMEs, communicated vide [Press Note dated 08th April 2020](#) issued by the Department of Revenue, Ministry of Finance, the Central Government vide [Instruction No. 03/2020- Customs dated 9th April 2020](#) has issued instructions regarding “**Special Refund and Drawback Disposal Drive**” with the objective of priority processing and disposal of all pending refund and drawback claims

The key features of this Special Drive are as under: -

- This Special Drive shall be **in place till 30.04.2020** & it is expected that during this period all refund and drawback claims that are **pending as on 07.04.2020** shall be disposed
- The **Principal Chief Commissioners/ Chief Commissioners** shall **monitor the performance** on this front **closely on a daily basis**.
- The focus on refunds and drawback is aimed at **providing immediate relief to the business entities, especially MSMEs**, which makes it an imperative to ensure that there are no delays.
- Though the decision to process pending refund claims has been taken with a view to provide immediate relief to the taxpayers, **due diligence is to be done before granting the refunds and drawback**. All the relevant legal provisions, notifications, circulars and instructions must be followed while processing these claims.
- For facilitation of exporters, **all communication should be done over email**, wherever email id of the applicant is available.
- **All deficiency memos may be reviewed and refund / drawback may be considered on merit**.

### **Relaxations / Extensions of various Compliance Deadlines etc. provided by Department of Commerce to address Corona Pandemic Related Hardships of Exporters**

In order to give relief to businesses and affected individuals amidst the stress caused by the novel coronavirus pandemic, **Department of Commerce, Ministry of Commerce and Industry has introduced several relaxations and extensions in deadlines etc.** with regard to compliances mandated under its schemes and activities. The key relaxations are as follows:

## **FACILITATION UNDER FOREIGN TRADE POLICY (FTP) 2015-20 BY DGFT**

- 1 Extension of FTP beyond 31<sup>st</sup> March 2020:** The Foreign Trade Policy (FTP) 2015-2020 and Handbook of Procedures (HBP) which was valid till 31<sup>st</sup> March 2020, **have been extended by one year till 31<sup>st</sup> March 2021.**
- 2 Advance Authorizations and EPCG Authorizations: Extension of Export Obligation Period etc**
  - ✚ In respect of those Advance Authorizations and EPCG Authorizations wherein the extended Export Obligation Period has either expired or is expiring between 1st February, 2020 to 31st July, 2020, **the Export Obligation Period has been extended for further six months from the date of expiry.**
  - ✚ In respect of those Advance Authorizations and EPCG Authorizations wherein the import validity period has either expired or is expiring between 1st February, 2020 to 31st July, 2020, **the import validity period has been extended for further six months from the date of expiry.**
  - ✚ In respect of those EPCG Authorizations wherein Block period to fulfill the Block-wise export obligation has either expired or is expiring between 1st February, 2020 to 31st July, 2020, **the Block period has been extended for further six months from the date of expiry.**
  - ✚ In respect of those EPCG Authorizations wherein the time period to produce the Installation Certificate before the RA concerned has either expired or is expiring between 1st February, 2020 to 31st July, 2020, **the time period has been extended for further six months from the date of expiry.**
- 3 Extension of validity of Registration cum Membership Certificate (RCMC) beyond 31st March, 2020:** It has been decided that Regional Authorities (RAs) of DGFT will not insist on valid RCMC (in cases where the same has expired on or before 31 March, 2020) from the applicants for any incentive/authorizations **till 30 September, 2020.**
- 4 Service Exports from India Scheme (SEIS):** The last date for filing annual claims under SEIS is 12 months from the end of relevant financial year of the claim period, which is expiring for 2018-19 claims on 31<sup>st</sup> March, 2020, **has been extended to 31st December, 2020.**
- 5 Merchandise Exports from India Scheme (MEIS):** The last date for filing MEIS claims is 1 year from the Let Export Order (LEO) date of each Shipping Bill, and another 2 years beyond that with imposition of a late cut. The last date of filing MEIS claims without late cut for all Shipping Bills for which the initial one-year period expired / will be expiring on or after 1<sup>st</sup> Feb 2020 and on or before 31<sup>st</sup> May 2020, **has been extended by 3 months beyond the expiry date of the initial one-year period.**
- 6 Rebate of State and Central Taxes and Levies (RoSCTL):** The last date for filing RoSCTL claims for export shipments between 7 March to 31 December, 2019 of 30th June, 2020, **has been extended to 31st December 2020.**



**7 Status Holder:** The validity period of all Status Certificates issued under FTP 2015-20 to an IEC holder **has been extended up to 31st March, 2021.**

**8 Remissions under provisions of Hand Book of Procedure (HBP)**

- (i) Under para 4.12 (vi) of the Handbook of Procedure (HBP), validity date of norms ratified is limited to 31.3.2020 or three years whichever is later. This has been relaxed to be co-terminus with extended date of foreign trade policy / 3 years whichever is later. Under para 4.41 (a) of HBP, Validity of Advance Authorizations for imports is capped at 12 months. Now the validity period of the Authorization for imports stands automatically extended by six months for Authorizations where import validity is expiring after 01 Feb 2020. The option to avail further validity extensions under para 4.41(c) shall be available.
- (ii) Under para 4.42 (a) & (c) of HBP, Export Obligation (EO) period allowed under Advance Authorization Scheme is 18 and 24 months respectively. The EO period under this para now stands automatically extended by 6 months for Authorizations expiring after 01 Feb 2020. Option for further extensions as per HBP 4.42 (e) and (f) shall remain available after this period is over.
- (iii) Under para 4.42 (d) of HBP, items under 4J get EO extension equal to half of the initially allowed period of EO. Now the EO period for items falling under appendix 4J stands automatically extended for a further period of six months for Authorizations expiring after 01 February 2020.
- (iv) Under para 4.80 (C) (D) (E) of HBP, the period allowed for exhibition exports are restricted to 60/90/120/45/365 days (depending on conditions mentioned) for replenishment of inputs of precious metals used. All durations mentioned under the given paras of HBP now stand extended by six months in addition to allowed durations for cases expiring after 01 February 2020.
- (v) Under para 4.82 (c) and (d), 4.83(b), 4.84(c) of HBP, replenishment scheme / outright purchase / loan basis period allowed for exports realisation is capped at 90, 180 days or credit terms, 120 days and 150 days etc. All durations mentioned under the given paras of HBP now stand extended by six months in addition to allowed durations for cases expiring after 01 February 2020.
- (vi) Under para 4.85(b) and (c) of HBP, EO period under Advance Authorisation for Gems & Jewellery allowed at 120 and 90 days respectively. All EO periods now stand extended by six months for cases falling under these paras which expire after 01 February 2020.

In addition, following changes are also implemented based on feedback, representation and inputs from other departments in light of COVID-19:

- a) Extension in replenishment scheme for G&J under Para 4.59(e) also extended by 6 months.
- b) Extension of 6 months under Para 4.75(c) and para 4.77(c) for Diamond exports and exports against supply by foreign buyer for G&J Sector.

- c) As approved by Department of Revenue, Exemption of IGST and Compensation Cess under Advance Authorisation, EPCG Scheme and EOUs till 31.03.2021 has been notified.

**9 Chapter 6 of Hand Book of Procedures (HBP)-EOU/EHTP/STP/BTP**

Under para 6.01(b)(ii) of HBP, any LOP/LOI issued under the FTP has an initial validity period of 2 years. Such validity may be extended by the competent authority. Now All such LOPs/LOIs whose original or extended validity expires on or after 1st March 2020, would be deemed to be valid up to 31st December, 2020. Under Para 6.06 (c): Special provisions have been laid down allowing a shorter period of export obligations in case of some sensitive products. In such cases where ever the export obligation period expires during 1<sup>st</sup> March, 2020 to 30<sup>th</sup> June, 2020, the same has been extended up to 30<sup>th</sup> of September, 2020

**10 Chapter 7 of Hand Book of Procedures (HBP)-Deemed Exports:**

Under para 7.05(a) of HBP, an application for refund of TED / Drawback may be filed within 12 months from the date of realization / supply. Now in all such cases where the above dates fall on or after 1st March, 2020, the date of filing of applications for refund of TED/Drawback will now be deemed to be extended up to 30<sup>th</sup> September, 2020.

**11 Chapter 7A of Hand Book of Procedures (HBP)- Transport and Marketing Assistance (TMA) Scheme:**

As per para 7A.01(d) of HBP, an application for claim of TMA may be filed within one year from the date of quarter ending. Now application for refund of such claims for the quarter ending 31st March, 2019 and 30th June, 2019 may be filed up to 30th September, 2020.

**12 Chapter 9 of Hand Book of Procedures (HBP)- Miscellaneous Matters:**

As per Para 9.02 of HBP, provisions of late cut have been laid down wherever any application is received after expiry of last date for submission of such application. Now last date of submission of application for the purpose of late cut would be taken to be extended as per the extension given above for the regular application.

**FACILITATION FOR SPECIAL ECONOMIC ZONE (SEZ) UNITS**

- 1** In respect of SEZ Developers/Co- developers/ Units relaxations have been allowed on following compliances:
  - Requirement to file Quarterly Progress Report (QPR) attested by Independent Chartered Engineers by Developers/ Co-developers
  - SOFTEX form to be filed by IT/ITES units
  - Filing of Annual Performance Reports (APR) by SEZ units
- 2** Development Commissioners have been directed to facilitate all extensions of Letter of Approvals (LoAs) and other compliances through electronic mode in a time-bound manner. In the cases where it is not possible to grant extension through electronic mode or in cases where a physical meeting is required, Development Commissioners

shall ensure that the Developer / Co-developer / Units do not face any hardship due to such expiry of validity during this period of disruption, and ad-hoc interim extension / deferment of the expiry date may be granted without prejudice till 30.06.2020 or further instructions of the Department on the matter, whichever is earlier. Such extensions will cover following type of cases:

- a) Developers/co-developers who are in the process of developing and operationalizing the SEZS
  - b) Units which are likely to complete their 5-year block for NFE assessment
  - c) Units which are yet to commence operations
- 3** Similarly, in case of expiry of LOPs of Export Oriented Units (EOU)s also, DCs have been directed to ensure that there is no hardship to EOUs during the lockdown period and if possible, all extension of LOPs may be facilitated through electronic mode in time bound manner. Where it is not possible to grant extension through electronic mode or such cases where physical meeting is required, in such cases expiry of validity of EOUs may be deferred suitably till 30<sup>th</sup> June, 2020. Such extensions will cover following type of cases:
- a) Letter of Permission (LoP) of existing EOUs whose five period for calculation of NFE is completed during the lockdown period.
  - b) LoP of EOUs whose validity is expiring during the lockdown period.
- 4** Along with IT/ITES Units, Non-IT/ITES Units in SEZs have also been allowed to take desktop/laptop outside SEZs for work from home.
- 5** Power has been delegated to Development Commissioners for broad banding in case of manufacturing of essential items like masks, sanitizer, gowns and other protective preventive products/instruments subject to post-facto ratification by UAC.
- 6** All DCs have been sensitized to adopt electronic working culture and to extend support to the units involved in manufacturing of drugs, essential items etc and to follow COVID guidelines.
- 7** Department, in coordination with Development Commissioners is monitoring the situation on a daily basis. As on date, 403 units, engaged in manufacture of essential supplies like drugs, pharmaceuticals, medical supplies, etc. are functioning. In addition to this, 2055 units engaged in IT/ITES and other sectors have been allowed to work-from-home.

**FACILITATION BY ECGC:**

- ✓ Time for filing returns like declarations, extension applications, report of default etc., under the insurance covers that are due in March and April, extended up to May 31, 2020.
- ✓ Time for filing claim/ replies due during this period extended up to 30<sup>th</sup> June, 2020.

- ✓ Waiver of credit limit application fee till 30<sup>th</sup> June, 2020.
- ✓ Reduction in policy proposal processing fee by 50% for policies due for renewal / issue from 1st March till 30<sup>th</sup> June, 2020.
- ✓ Discretion to exporters to extend due date for payment by buyers for shipments accepted earlier.
- ✓ Discretion to decide about shipments (i.e. resale / reimport / or abandon) that reached destination but not cleared by overseas buyers due to lockdown in the destination countries.
- ✓ Claim eligibility period under insurance cover reduced from the present 4 months period to 1 month.

**FACILITATION BY AGRI EXPORTERS BY AGRICULTURAL & PROCESSED PRODUCTS EXPORT DEVELOPMENT AUTHORITY (APEDA):**

1. For facilitating exporters, APEDA extended the validity of RCMC, Recognition/Registration of packhouses, groundnut processing unit, Meat plants, wherever expiring up to 30th April, 2020.
2. Advisory has been issued for providing additional one-month validity of certificate as a one-time measure for exporters of Organic products.
3. An advisory was issued on 28/03/2020 to all the laboratories authorized in HortiNet / Grape Net as well as those for APEDA scheduled products, which carry out sampling and analysis of fresh fruits and vegetables, to bring any impediment related to movement of samplers and laboratory staff to the notice of APEDA and the local Authorities for quick resolution.
4. APEDA Certification Bodies have been advised to extend the validity of organic certificates. This will enable the farmer to continue with certification without losing organic status.
5. Provision has also been made for interim extension of certificates of food processors and exporters whose physical inspection could not be conducted.
6. With the intervention of APEDA, few packing units in Navi Mumbai were able to get the permission to resume operations for production of essential packaging material for supplies.

**FACILITATION BY THE MARINE PRODUCTS EXPORT DEVELOPMENT AUTHORITY (MPEDA):**

MPEDA has started issuing most of the Certificates for exports online i.e. DS 2301 certificates for the USA market w.e.f.1st April 2020. This is an essential certificate for the export of shrimp to USA. By making it online, the physical movements for the exporters have reduced. Another Certificate (Asia -Pacific Trade Agreement (APTA) also has been made online after the lock down was introduced.

## **MEASURES TAKEN BY DEPARTMENT TO FACILITATE PREFERENTIAL EXPORTS IN THE COVID-19 PANDEMIC**

In the wake of the lockdown, the agencies authorized to issue the certificates of origin for India's preferential exports under the free trade agreement (FTAs) are either not functional or are operating with a skeletal staff. In the light of this, Department of Commerce had included some specific FTAs on this digital platform which had facilitated online application by exporters for these certificates. Trade Notice 1 dated 7.4.2020 has added India's main FTAs namely those with ASEAN, Japan, SAARC countries and Asia Pacific Trade Agreement (APTA) onto this digital platform. A related Trade Notice 62 dated 6.4.2020 has asked the agencies to issue the digitally signed certificates to the exporters on this platform as also keep a uniform fee for certificates even if they are issued retrospectively. The platform

issues digitally signed certificates and we have been successful in getting the trading partners to accept these digitally signed certificates. This would ensure that our preferential exports are facilitated even during this lockdown period.

Most of the exporters to the European Union (EU) avail of the EU Generalised System of Preferences (GSP) Scheme wherein they get tariff preferences on exports. While the EU GSP is on a self-certification basis, the exporters have to apply to the prescribed agencies in India for getting a REX (registered exporter) number. In view of the closure of the offices of these agencies, Trade Notice 61 dated 2.4.2020 has prescribed the acceptance of scanned documents for getting the REX number so that the exporter has no physical interface with the agencies. This would ensure that exporters to EU under the EU GSP who have not got the REX number can apply electronically to the agencies (also known as Local Administrators for registration)

## **FACILITATION BY THE DIRECTOR GENERAL TRADE REMEDIES (DGTR)**

Submission of documents in the Trade remedies investigation process has been done online or through digital transmission without having to submit physical copies. This has been enabled for both new investigations and ongoing investigations. Also, the hearings and consultations are being carried out through Video conferencing.

## **INCOME TAX RELATED**

### **Extension of Due Dates relevant to Individuals**

#### **(i) In relation with Belated / revised tax return filing**

A belated tax return and revised tax return for Financial Year (FY) 2018-19 was to be filed on or before 31 March 2020. This due date is now extended to 30 June 2020.

#### **(ii) In relation with Tax saving investments/ payments / donation**

Specified investment / payments (such as investment in Public Provident Fund, Life Insurance payments etc.) or donation to avail deductions from income for FY 2019-20 was to be made till 31 March 2020. Now these investments / payments to avail deductions from income for FY 2019-20 can be made till 30 June 2020.

Similarly, exemptions from Long Term Capital Gains is available if certain investments are made within the prescribed time from the date of transfer of the capital asset. Now any such investment which are due from 20 March 2020 to 29 June 2020 can be made up to 30 June 2020, subject to other conditions mentioned in the Income tax Act, 1961 ('the Act').

**(iii) In relation with AADHAR-PAN Linking**

Aadhaar was to be linked with PAN by 31 March 2020. Else, PAN would have been inoperative. The due date to link Aadhaar and PAN is now extended to 30 June 2020.

**Holders to PPF/Sukanya Samriddhi account can make a single deposit for FY 2019-20 till June 30, 2020**

The Govt. has relaxed the guidelines related to in Public Provident Fund (PPF) and Sukanya Samriddhi Account. Now, holder of such accounts can make a single deposit for Financial Year 2019-20 till June 30, 2020 subject to condition of maximum deposit limit. Further, no default fee for FY 2019-20 to be charged if account is regularized by making deposit till June 30, 2020

**Nil or Lower TDS/TCS certificate issued for particular period in FY 2019-20 also valid till June 30, 2020**

The CBDT has issued further clarification with regards to certificate for lower or nil deduction/collection of tax under section 195, 197 & 206C. It has been clarified the certificate which were issued for a particular period during the financial year 2019-20, (say issued 01-10-2019 to 15-12-2019) to be valid till June 30, 2020 for financial Year 2020-21.

**CBDT extends validity of Forms 15G and 15H of FY 2019-20 by 3 months due to outbreak of COVID-19**

Due to outbreak of COVID-19, there is severe disruption in the normal banking working of almost all sectors of economy. Thus, the CBDT has clarified that if a person had submitted Form 15G and 15H for FY 2019-20 to banks and other institutions then these forms will be valid up to 30.06.2020 for FY 2020-21 also.

**CBDT extends validity of nil/lower deduction certificate by 3 months due to outbreak of COVID-19**

Due to outbreak of COVID-19, the Income-tax Dept. is operating with limited number of officers. Consequently, the Dept. is unable to dispose off the application received for nil/lower TDS/TCS certificate. The CBDT has, thus, clarified that tax can be deducted as per the existing TDS/TCS certificates up to June 30, 2020 for the Financial Year 2020-21 until their application is disposed off by the AO.

**Employee making donation to 'PM CARE FUND' through his employer eligible to claim deduction based on Form 16**

The CBDT has clarified that in case where donation is made to PM CARE FUND by an employee through employer, the fund may not be able to issue separate certificate to

every such employee as contributions are made by employer in the form of consolidated payment. Thus, deduction to employee to be allowed u/s 80G on the basis of Form 16 issued by employer. Donation to PM CARES fund could be made till 30 June 2020.

### **CBDT releases Income-tax refunds worth Rs 5,204 crore to small business in last 10 days**

In a press note on 8 April 2020, it was declared that to provide immediate relief to business and individuals, all pending income-tax refunds up to Rs.5 lakh shall be released immediately. The Central Board of Direct Taxes (CBDT) has said that Income tax refunds to nearly 8.2 lakh small businesses (proprietors, firms, corporate and trusts) worth Rs 5,204 Crore have been issued since 8th April 2020. These income tax refunds would help MSMEs to carry on their business activities without pay cuts and layoffs in Covid-19 pandemic situations.

### **Reduction of rate of interest on delayed payment of tax**

Where any taxes are due to be paid between 20 March to 29 June under the Act and if such taxes are paid by 30 June 2020 then the interest on delayed payment of such taxes will be levied at 0.75 percent per month (or part of the month) instead of 1 percent per month (or part of the month). Some examples of tax payments, for which this benefit could be availed by individuals are:

- Taxes Deducted at Source (TDS) that are due between 20 March and 29 June;
- First instalment of advance tax due by 15 June 2020 for FY 2020-21;

There shall be no penal consequences and prosecution on account of these delayed tax payments.

### **Extension of Vivad se Vishwas Scheme**

The VSV Scheme is introduced to avoid the prolonged litigation for matters provided in the scheme by paying the disputed tax amount with immunity from payment of interest and penalty on the same. Earlier, the applicant under VSV Scheme was required to pay only the disputed taxes / specified percentage of disputed demands by 31 March 2020. However, an additional percentage of the disputed taxes was payable if the taxes are paid after 31 March but before 30 June 2020. As per the measures announced, even if the taxes are paid after 31 March but on or before 30 June 2020, no additional percentage of the disputed taxes is payable.

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