

## WE ARE YOUR TEAM



### Business Support Services

- ▶ Accounting
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### **Extension of due date of furnishing of Income Tax Returns and Audit Reports**

In view of the challenges faced by taxpayers in meeting the statutory and regulatory compliances due to the outbreak of COVID-19, the Government brought the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 ('the Ordinance') on 31st March, 2020 which, inter alia, extended various time limits as under:

ITR filing date for entities subject to Tax Audit including TAX Audit Partners, International / Specified Domestic Transactions (TP Audit) Taxpayers for A.Y.2020-21 has been extended to 31st January 2021.

ITR filing date for other Tax Payers (Non Audit Case) extended to 31st December 2020

Consequently, the date for furnishing of various audit reports under the Act including tax audit report and report in respect of international/specified domestic transaction has also been extended to 31st December, 2020

In order to provide relief to small and middle class taxpayers in the matter of payment of self-assessment tax, the due date for payment of self-assessment tax date for taxpayers whose self-assessment tax liability is up to Rs. 1 lakh is hereby again being extended to 31st December, 2020 for Non Audit Case Tax Payers & 31st January 2020 for others.

([https://www.incometaxindiaefiling.gov.in/eFiling/Portal/StaticPDF\\_News/222832.pdf](https://www.incometaxindiaefiling.gov.in/eFiling/Portal/StaticPDF_News/222832.pdf))

### **Direct taxes: Clarifications in respect of Vivad se Vishwas Act, 2020**

With the objective to reduce pending income tax litigation, generate timely revenue for the Government and benefit taxpayers, the provisions of Vivad se Vishwas had been amended by the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020 as under:

The Central Government vide the notification S.O. 3847(E), dated 27th October, 2020, has extended the date for payment without additional amount under Vivad se Vishwas from 31st December, 2020 to 31st March, 2021. The said notification also notified the last date for filing declaration under Vivad se Vishwas as 31st December, 2020.

Under the existing provisions of sub-section (2) of section 5 of the Vivad se Vishwas, 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 amendment, a declarant who files declaration on or before 31st December, 2020 can make payment without additional amount on or before 31st March, 2021.

([https://www.incometaxindiaefiling.gov.in/eFiling/Portal/StaticPDF\\_News/Circular\\_18\\_2020.pdf](https://www.incometaxindiaefiling.gov.in/eFiling/Portal/StaticPDF_News/Circular_18_2020.pdf))

### **No need to fill Schedule 112A in ITR for stock trading, clarifies CBDT**

In the Schedule 112A of Income Tax Return (ITR) Forms, only long-term capital gain (LTCG) arising out of sale of shares/units after a holding period of more than 1 year is to be reported.

The scrip wise details in the return of income for AY 2020-21 is required to be filled up only for the reporting of the LTCG for these shares/units, which are eligible for the benefit of grandfathering

Grandfathering is allowed by comparing different values (such as cost, sale price and market price as on January 31, 2018) for each share/unit, there is a need to capture the details of each share/unit.

So, the CBDT has clarified that the scrip wise details are not required in Schedule 112A for AY 2020-21 for computation of capital gains/business income from shares/units, which are not eligible for grandfathering.

([www.financialexpress.com](http://www.financialexpress.com))

**Due date for filing Form GSTR-1 Specified**

The due dates for filing GSTR-1 have been specified for the period October 2020 to March 2021, details as under:

Sr. No.	Type of Registered Person	Period (Month / Quarter)	Due Date
1.	having aggregate turnover of up to Rs. 1.5 crore in the preceding financial year or the current financial year (Quarterly Filing)	October 2020 to December 2020	January 13th 2021
		January 2021 to March 2021	April 13th 2021
2.	having aggregate turnover of more than Rs.1.5 crore in the preceding financial year or the current financial year (Monthly Filing)	October 2020 to March 2021	11th Day of the succeeding month

[Notification No.74 and 75/2020 – Central Tax dated October 15, 2020]

**Optional filing of Annual Return (GSTR-9) for FY 2019-20 for small taxpayers**

The benefit of optional filing of Annual Return (GSTR-9) for registered persons whose aggregate turnover in a financial year does not exceed INR 2 crores (initially provided for FY 2017-18 and 2018-19 vide Notification no. 47/2019- Central Tax), has now been extended to FY 2019-20 as well.

[Notification No.77/2020 – Central Tax dated October 15, 2020]

**HSN Requirement revised**

The Government has notified a revised requirement of declaring HSN in invoices effective from April 1st 2021 details as under:

Sr. No.	Type of Registered Person	Revised Requirement
1.	Large taxpayers (i.e. aggregate annual turnover in the previous financial year > Rs 5 crores)	6 Digit HSN
2.	Small taxpayers (i.e. aggregate annual turnover upto Rs. 5 crores in the previous financial year) for issuing invoices to B2B customers (not required to mention HSN in case of supplies made to B2C)	4 Digit HSN

[Notification No. 78/2020 – Central Tax and Notification No. 06/2020- Integrated Tax dated October 15, 2020]

**Extension of Due Date for GST Annual Return and GST Audit for FY 2018-19**

The due date for filing GST Annual Return (GSTR-9/9A) and Reconciliation Statement (GSTR-9C) for FY 2018-19 has been extended from 31 October 2020 to 31 December 2020.

[Notification No.80/2020 – Central Tax dated October 28, 2020]

**Updated ►  
Consolidated FDI  
Policy released by the  
Department for  
promotion of Industry  
and Internal Trade**

The Department for promotion of Industry and Internal Trade, Ministry of Commerce and Industry (DPIIT) has released the updated Consolidated Foreign Direct Investment (FDI) Policy Circular amending the Consolidated FDI Policy Circular of 2017. The Circular captures the amendments issued vide the Press Notes, relaxations and clarifications issued by the DPIIT from time to time. It also included references of Foreign Exchange Management (Non-debt Rules), 2019 that has replaced the Foreign Exchange Management (Transfer or Issue of Security by Persons Resident Outside India) Regulations, 2000. Some key changes are as under:

- The definition of 'control' has been amended to control on management or policy decisions, exercisable by a person acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements.
- The competent authority to process FDI approval in select cases has been changed from the DPIIT to the relevant administrative ministry
- For cases pertaining to sectors/ activities under the Government approval route, requiring security clearance, the competent authority to process FDI applications would be the administrative ministries.
- The obligation to file Form FC-TRS in case of the acquisition of shares by a non-resident investor on the stock exchange, under the FDI scheme, will now vest with such non-resident.

(DPIIT File Number 5(2)/2020-FDI Policy dated 15 October 2020)

***Sum received from granting distribution rights of TV Channels to an Indian Company is not taxable as royalty under the India-USA tax treaty.***

Based on the facts and in the circumstances of the case, recently the Delhi Bench of Income-tax Appellate Tribunal (the Tribunal) in the case of Turner Broadcasting System Asia Pacific Inc. (the tax payer), held that the income derived by the foreign channel company from granting distribution rights of TV Channels to an Indian Company is not taxable as royalty under the India-USA tax treaty.

The Tribunal observed that the copyright in content always remained with tax payer and at no point of time was transferred either to Indian company or the sub-distributor. The Indian company acted as an exclusive distributor of such rights to cable operators and other permitted systems on principal-to-principal basis and broadcasting was sole responsibility of the tax payer. Even content on TV Channel could not be changed by any party except for the tax payer. Thus, the sum received as advertisement and distribution revenue would not be taxable as 'royalty', albeit it was a business income of the tax payer.

(Turner Broadcasting System Asia Pacific Inc. v. DDIT (ITA No. 1343/Del/2014) – Taxsutra.com)

***The Companies  
(Prospectus and  
Allotment of  
Securities) Amendment  
Rules, 2020***

- **Original Rule:** The Companies (Prospectus and Allotment of Securities) Rules, 2014.
- **Date of Notification:** 16th October, 2020
- **Effective date of Amendment:** 16th October, 2020
- **Amendment:** To amend The Companies (Prospectus and Allotment of Securities) Rules, 2014 to insert proviso after third proviso in Rule 14 (1) as follows:

“Provided also that in case of offer or invitation of any securities to qualified institutional buyers, it shall be sufficient if the company passes a previous special resolution only in a year for all the allotments to such buyers during the year.”

Link: [http://www.mca.gov.in/Ministry/pdf/SecuritiesAmendmentRules\\_16102020.pdf](http://www.mca.gov.in/Ministry/pdf/SecuritiesAmendmentRules_16102020.pdf)

***General Circular  
regarding Special  
Measures under  
Companies Act, 2013  
and Limited Liability  
Partnership Act, 2008  
in view of COVID-19  
outbreak – Extension  
reg.***

The Ministry of Corporate Affairs vide its General Circular No.36 dated 20th October, 2020 in continuation with General Circular No. 11 dated 24th March, 2020, clarified that, non-compliance of minimum residency in India for a period of at least 182 days in a year by at least One Director in every Company under section 149 of the Companies Act, 2013 shall not be treated as non-compliance for the financial Year 2019-2020 as well as 2020-2021 due to COVID – 19 pandemics.

Link: [http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.36\\_20102020.pdf](http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.36_20102020.pdf)

[http://www.mca.gov.in/Ministry/pdf/Circular\\_25032020.pdf](http://www.mca.gov.in/Ministry/pdf/Circular_25032020.pdf)



## Due dates for the Month of December, 2020#

Regulation	Due Date	Compliance	Description
Employees' State Insurance Act, 1948- (ESIC)	15-Dec-20	ESIC Payment	ESIC Payment for the month of November, 2020.
Goods and Service Tax (GST)	10-Dec-20	GSTR 7	Summary of Tax Collected at Source (TCS) and deposited by E-Commerce Operator for the month of November 2020
	10-Dec-20	GSTR 8	Summary of Tax Deducted at Source (TDS) and deposited for the month of November 2020
	11-Dec-20	GSTR 1 (Monthly)	Return of outward supplies of taxable goods and/or services for the Month of November 2020 (for Assesses having turnover exceeding 1.5 Cr.)
	13-Dec-20	GSTR 6	Return for Input Service Distributors for the month of November 2020.
	20-Dec-2020 or 22-Dec-2020 or 24-Dec-2020	GSTR 3B	Simple GSTR return for the Month of November 2020 (based on category of taxpayer)
	31-dec-20	GSTR-9 / 9A GSTR-9C	GST Annual Return and GST Annual Audit
Income Tax Act, 1961 *	7-Dec-20	TDS/TCS	Due date for deposit of Tax deducted/collected for the month of November, 2020.
	15-Dec-20	Advance Tax	Third instalment of advance tax for the assessment year 2021-22
	15-Dec-20	TDS/TCS	Due date for issue of TDS Certificate for tax deducted under section 194 M, 194-IA & 194-IB in the month of Oct, 2020
	30-Dec-20	TDS/TCS	Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, 194-IB and 194-M in the month of Nov, 2020
	30-Dec-20	Form 3CEAD	Furnishing of report in Form No. 3CEAD for a reporting accounting year (assuming reporting accounting year is January 1, 2019 to December 31, 2019) by a constituent entity, resident in India, in respect of the international group of which it is a constituent if the parent entity is not obliged to file report under section 286(2) or the parent entity is resident of a country with which India does not have an agreement for exchange of the report etc.
	30-Dec-20	TDS/TCS	Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA in the month of November, 2020
	31-Dec-20	ITR	Return of income for the assessment year 2020-21 for all assessee other than (a) corporate-assessee or (b) non-corporate assessee (whose books of account are required to be audited) or (c) partner of a firm whose accounts are required to be audited or (d) an assessee who is required to furnish a report under section 92E.  Note: The due date for filing of return has been extended to December 31, 2020 vide Press Release, dated 24-10-2020.
	31-Dec-20	3CD/3CEB	Due date for furnishing of various audit reports including tax audit report and report in respect of international/specified domestic transaction for the Assessment Year 2020-21.  Note: The due date for furnishing of various audit reports including tax audit report and report in respect of international/specified domestic transaction has been extended to December 31, 2020 vide Press Release, dated 24-10-2020.
Employees' Provident Funds & Miscellaneous Provisions Act, 1952	15-Dec-20	PF Payment	PF Payment for the month of Nov, 2020.

\* The Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020 has extended due dates for compliance falling during the period from 20-03-2020 to 31-12-2020. Readers are requested to please check the relevant documents from below links:

[https://www.incometaxindia.gov.in/Lists/Latest%20News/Attachments/419/taxation\\_other\\_laws\\_relaxation\\_amed\\_certain\\_provisions\\_act\\_2020.pdf](https://www.incometaxindia.gov.in/Lists/Latest%20News/Attachments/419/taxation_other_laws_relaxation_amed_certain_provisions_act_2020.pdf)

# The above due date calender contains compliances generally applicable to taxpayers and this calender has been compiled by HSCo on basis of data available on various portals and other sources. One should always check applicable compliances based on their business needs and should also check updated due dates, if any, on the government portal before making the compliance.



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