

# Legal Update

to be issued, cannot end up enhancing the time limit for completing the assessment under section 143(3).

***LD/68/170, [Karnataka High Court: W.P. 17125 of 2018], WIPRO GE Healthcare Private Ltd.Vs. The Dy. Commissioner of Income Tax 11/02/2020***

High Court allows assessee's writ of certiorari and holds that mandatory procedure prescribed under section 144C should have been followed by AO/TPO in respect of transfer pricing issues remanded back by ITAT. Rejects Revenue's argument that there was no scope for judicious determination after remand. ITAT had specifically directed the AO to carry out working capital adjustment disregarding the artificial cap and re-examine comparability of two comparables which could not be done mechanically. Accepts assessee's contention that there ought to have been a draft order to which the assessee could have responded. Revenue did not make out a case about the prejudice that would have been caused had the mandatory procedure under section 144C been adhered. High Court rejected Revenue's contention about maintainability of Writ and availability of alternate remedy.

## GST



***LD/68/171, [2020-TIOL-827-HC-KAR-GST], UOI and ors Vs. L C Infra Projects Pvt Ltd., 03/03/2020***

The High Court concurred with the decision of the Ld. single judge that before recovery interest payable in accordance with Section 50 of the GST Act, a Show Cause Notice is required to be issued to the assessee following the principles of natural justice.

***LD/68/172,[ 2020-Tiol-813-HC-Kerala-GST], Pittappillil Agencies Vs. Superintendent of Central Tax And Central Excise Goods and Services Tax Department, 21/11/2019***

When assessee was served with notice of recovery for interest on delayed filing of returns and its bank account was attached without considering the objections raised by the

assessee to the said recovery, the High Court directed the revenue authorities to consider the objections raised by the assessee after affording to the assessee a reasonable opportunity of being heard.

## Service Tax

***LD/68/173,[CESTAT Delhi: 52317 of 2019 /2020], M/s M.D. Overseas Ltd.Vs. The Commissioner of Customs, Delhi, 22/02/2020***

Assessee, an exporter of Gold Jewellery, sought amendment in the shipping bills in terms of section 149 of Customs Act for claiming refund of duty while all the necessary information was submitted with the shipping bills at the time of export of goods. Assessee's appeal regarding such amendment allowed by CESTAT under paragraph 2 of the notification dated 29/06/2012. CESTAT stated that the Commissioner completely failed to distinguish the requirements of paragraph 2 of the notification and paragraph 3 of the notification. Documents and information format sought by the Commissioner (Appeals) from the assessee were in relation to the requirements of paragraph 3 and not paragraph 2. CESTAT noted that no amendment shall be so authorized by proper officer after goods have been exported, except on the basis of documentary evidence which was in existence at the time the goods were exported.

***LD/68/174, [2020-TIOL-493-CESTAT-BANG], M/S TPI Advisory Services India Pvt Ltd Vs. Commissioner of Central Tax, 27/01/2020***

Tribunal affirmed the order of the adjudicating authority which denied the refund of service tax to the assessee on the ground that services were provided by the assessee during the pre-gst regime and hence the payment of service tax during April 2017 to June 2017 is also in order and according to the provisions of Finance Act 1994 then prevailing. The mere fact that at the request of the assessee's client, the assessee issued credit noted canceling the original invoices and issued fresh invoice charging GST at a higher rate is not a ground for refunding service tax, levy of which is otherwise in order.

# Circulars/Notifications

Given below are summarised important Circulars and Notifications issued by the CBDT, CBIC-GST, FEMA and MCA issued since the publication of the last issue of the journal, for information and use of members. Readers are requested to use the citation/website or weblink to access the full text of desired circular/notification. Feedback and suggestions on this column can be submitted at [eboard@icai.in](mailto:eboard@icai.in)



## A. CBDT

### I. NOTIFICATIONS

- 1. Enactment of the Direct Tax Vivad se Vishwas Act, 2020 – Gazette ID: CG-DL-E-17032020-218716, dated 17-03-2020**
- 2. Central Government notifies the Direct Tax Vivad Se Vishwas Rules, 2020 - Notification No. 18/2020, dated 18-03-2020 :** The Central Government has framed the Direct Tax Vivad Se Vishwas Rules, 2020. These Rules have come into force w.e.f. 18.03.2020.
- 3. Notification of ‘designated authority’ under ‘Direct Tax Vivad se Vishwas Act, 2020 - Notification No. 4707 and 18641 and F.No. Pr. CCIT/Lko/Judl./VSV/Vo1.2l/2019-20, dated 18-03-2020 :** It is specified that the jurisdictional Commissioners of Income-tax as specified in these Notifications having their headquarters at the place as specified shall be the ‘designated authorities’.
- 4. Pr. DGIT(Systems) issues notification on procedure to filing online Form 1 and Form 2 under the Direct Tax Vivad Se Vishwas Act 2020 - Notification No. 12/2020, dated 19-03-2020:** This Notification comes into the effect immediately.

### II. CIRCULARS

- 1. Clarification regarding short deduction of TDS/TCS due to increase in rates of surcharge by the Finance (No. 2) Act, 2019 - Circular No. 08/2020, dated 13-04-2020:** The CBDT has clarified that a person responsible for deduction/collection of tax under any provision of the Income-tax Act will not be considered to be an assessee in default in respect of transactions as specified in that Circular.
- 2. Clarification in respect of option under section 115BAC of the Income-tax Act, 1961 - Circular No. C1/2020, dated 13-04-2020:** The CBDT, in exercise of powers conferred under section 119 has clarified that an employee, having income other than the income under the

head “profit and gains of business or profession” and intending to opt for the concessional rate under section 115BAC, may intimate the deductor, being his employer, of such intention for each previous year and upon such intimation, the deductor shall compute his total income, and make TDS thereon.

### III. PRESS RELEASES/INSTRUCTIONS/ OFFICE MEMORANDUM/ORDER

- 1. Income Tax Department designates Income tax Authority before whom particulars of parent entity and alternate reporting entity to file Country-by-Country Report would be notified – Press Release, dated 19-03-2020:** In view of the specified amendment the Director General of Income tax (Risk Assessment) has designated the Joint Director of Income tax (Risk Assessment)-1 having office at 4<sup>th</sup> Floor, C-Block, Dr. S.P. Mukherjee Civic Centre, Minto Road, New Delhi-110002 as the Income tax Authority for the purpose of Section 286, with effect from 01.04.2020.
- 2. Finance Ministry issues Taxation and other Laws (Relaxation of Certain Provisions) Ordinance, 2020 – Press Release, dated 31-03-2020:** In order to give effect to the announcements made vide Press Release dated 24.03.2020, regarding several relief measures relating to statutory and regulatory compliance matters, the government has brought in an Ordinance on 31.03.2020 which provides for extension of various time limits under the Taxation and Benami Acts. It also provides for extension of time limits contained in the Rules or Notification which are prescribed/ issued under these Acts.
- 3. CBDT issues orders under section 119 of IT Act, 1961 to mitigate hardships to taxpayers arising out of compliance of TDS/TCS provisions – Press Release, dated 04-04-2020:** To mitigate the hardships of taxpayers on account of COVID-19, the CBDT has issued various directions/clarifications by exercise of its power under section 119. Further, vide F. No.

<sup>1</sup>Matter on Direct Taxes, Indirect Taxes, MCA Updates is contributed by Direct Taxes Committee, GST & Indirect Taxes Committee and Corporate Laws & Corporate Governance Committee of ICAI respectively. FEMA updates by CA. Manoj Shah, CA Hinesh Doshi and CA. Sudha G. Bhushan)

275/25/2020-IT(B) dated 09.04.2020, the CBDT has issued certain clarifications on matters received from stakeholders arising out of Orders issued under section 119 dated 31.03.2020 and 03.04.2020.

4. **Submission of certificate for claiming deduction under section 80G in respect of donation made by an employee to the PM CARES Fund – F. No. 178/7/2020-ITA-I, dated 09-04-2020:** CBDT has clarified that the deduction in respect of donations made to PM CARES Fund through employer will be admissible under section 80G on the basis of the Form 16/Certificate issued by the Drawing and Disbursing Officer (DDO)/Employer.

## B. CBIC-GST



### 1. GST

#### **Exemption of Foreign Airlines from furnishing reconciliation Statement in FORM GSTR-9C**

- Notification No.09/2020-CT dt 16<sup>th</sup> March, 2020: Notified foreign airlines company as the class of registered persons who shall **not be required to furnish** reconciliation statement in **FORM GSTR-9C** under section 44(2) of the CGST Act read with rule 80(3) of the CGST rules subject to duly authenticated statement of receipts and payments by Chartered Accountant.

**Special procedure for Merged UTs of Daman and Diu & Dadra and Nagar Haveli** - Notification No.10/2020-CT dt 21<sup>st</sup> March, 2020: Notified those persons whose **principal place of business or place of business was in the erstwhile UT of Daman & Diu or in the erstwhile UT of Dadra & Nagar Haveli till the 26<sup>th</sup> Jan, 2020;** and is in the merged UT of Daman and Diu and Dadra and Nagar Haveli from the **31<sup>st</sup> May, 2020 (transition date)** shall follow the special procedures for filing returns for the months of January & February, 2020 and transfer of balance of ITC.

**Special Procedure to be followed by Corporate Debtors undergoing Corporate Insolvency Resolution Process** - Notification No.11/2020-CT dt 21<sup>st</sup> March, 2020: Prescribed the special procedures to be followed by the corporate debtors undergoing the corporate insolvency resolution process and the management of whose affairs are being undertaken by interim resolution professionals (IRP) or resolution professionals (RP), from the date of the appointment of the IRP/RP till the period they undergo the corporate insolvency resolution process, in regards to registration, return, ITC. Further, CBIC vide Circular No.134/04/2020-GST dated 23<sup>rd</sup> March, 2020 has issued clarification in respect of various issues

under GST law for the corporate debtors who are undergoing CIRP under the provisions of IBC and the management of whose affairs are being undertaken by IRP/RP under Insolvency and Bankruptcy Code, 2016

**Waiver from filing GSTR-1 for 2019-20 for specified taxpayer** - Notification No.12/2020-CT dt 21<sup>st</sup> March, 2020: Notified exemption to those registered persons from filing **GSTR-1** for **2019-20** who could not opt for availing the option of special composition scheme by filing FORM CMP-02 & have furnished return in **FORM GSTR-3B** instead of furnishing the statement in **FORM GST CMP-08**.

**Deferment of implementation date of E-invoicing and QR Code:** Notification No.13/2020-CT dt 21<sup>st</sup> March, 2020 has deferred the date of implementation of **E-Invoicing** to **1<sup>st</sup> October,2020** for those registered persons **whose aggregate turnover in a F.Y exceeds 100 crore rupees**. Further, Notification No.14/2020-CT dt 21<sup>st</sup> March, 2020 has deferred the date of implementation of **Dynamic Quick Response (QR) code** to **1<sup>st</sup> October,2020** for those registered persons **whose aggregate turnover in a F.Y exceeds 500 crore rupees**. Also, it exempted the few suppliers (Insurance or banking company, GTA etc.) of taxable service from requirement of E-invoicing and QR Code even if the aggregate turnover exceeds the specified limit.

**Clarification in respect of appeal in regard to non-constitution of Appellate Tribunal:** CBIC vide Circular No.132/2/2020-GST,dated 18<sup>th</sup> March, 2020 clarified that as provided in **CGST (Ninth Removal of Difficulties) Order, 2019,** the appeal to tribunal can be made within three months (six months in case of appeals by the Government) from the date of communication of order or date on which the President or the State President, as the case may be, of the Appellate Tribunal enters office, **whichever is later.**

**Extension of due date of GST Annual Return for F.Y 2018-19:** The Central Government vide Notification No.15/2020-CT dt 23<sup>rd</sup> March, 2020 has **extended** date for filing GST annual returns of FY 18-19, which is due on 31<sup>st</sup> March, 2020 for the **F.Y 2018-2019 till 30.06.2020.**

**Amendments in CGST Rules,2017** - Notification No. 16/2020- Central Tax dated 23<sup>rd</sup> March 2020: Amendments have been made in different areas related to authentication of Aadhaar number for grant of registration, physical verification of the premises, increase the threshold limit for furnishing the Form GSTR-9C & thereby relaxing the said compliance for SME's, refund of excess tax/ wrongly paid tax, empower the proper officer to dispose of the seized goods or things.

**Notification of date of Aadhaar authentication for registration and exemption to specified class of persons:** Notification No.18/2020- Central Tax dated 23<sup>rd</sup> March 2020 notified **1<sup>st</sup> April,2020** as the date from which an individual shall undergo authentication, of Aadhaar number, as specified in rule 8 of the CGST Rules, 2017, in order to be eligible for registration. Provided that if Aadhaar number is not assigned to the said individual, he shall be offered alternate and viable means of identification in the manner specified in rule 9 of the said rules. Further, Notification No. 17/2020- Central Tax dated 23<sup>rd</sup> March 2020 specified that there will no requirement of Aadhaar authentication w.e.f. 1<sup>st</sup> April,2020 for GST Registration for a person **who is not a citizen of India or to a class of persons other than** (a) Individual;(b) authorised signatory of all types; (c) Managing and Authorised partner; and (d) Karta of an Hindu undivided family. Therefore, Notification No.19/2020- Central Tax dated 23<sup>rd</sup> March 2020 clarified that only above persons **shall undergo authentication of possession of Aadhaar number**, as specified in rule 8, **in order to be eligible for registration under GST**

**Due Dates for furnishing GSTR-1 for April,2020 to September, 2020:** The Central Government vide Notification No.27/2020- Central Tax dated 23<sup>rd</sup> March 2020 & Notification No.28/2020- Central Tax dated 23<sup>rd</sup> March 2020 has provided the due dates of the Form GSTR – 1 for furnishing the details of outward supply of goods or services or both.

**Clarification of issues in respect of apportionment of input tax credit (ITC) in cases of business reorganization:** CBIC vide Circular No.133/03/2020-GST ,dated 23<sup>rd</sup> March, 2020 has issued clarification in respect of apportionment of input tax credit (ITC) in cases of business reorganization under section 18 (3) of CGST Act read with rule 41(1) of CGST Rules.

**Clarification on Refund related issues:** CBIC vide Circular No.135/05/2020-GST dated 31<sup>st</sup> March, 2020 has issued clarifications in respect of some of the issues relating to GST refunds:-

**CGST (Fourth Amendment) Rules, 2020:** The Central Government vide Notification No. 30/2020-Central Tax dated 3<sup>rd</sup> April 2020 has made the amendments to extend time limit for filing an intimation in FORM GST CMP-02 and furnishing the statement in FORM GST ITC-03 for taxpayers opting for the Composition scheme for the E.Y 2020-21. Further, **cumulative application of condition in rule 36(4)** for the months of February, March, April, May, June, July and August, 2020 and the return in FORM GSTR-3B **for the tax period of September, 2020** shall be furnished with cumulative adjustment

of input tax credit for the said months in accordance with the condition under rule 36(4)

**Conditional Waiver/Lowering of interest rate for delay in furnishing of FORM GSTR-3B for tax periods of February, 2020 to April, 2020:** The Central Government vide Notification No. 31/2020- Central Tax dated 3<sup>rd</sup> April 2020 & Notification No. 32/2020-Central Tax dated 3<sup>rd</sup> April 2020 has **waived/ lowered the interest payable & waived the Late Fees** payable, for the class of registered persons ,who are required to furnish the returns in **FORM GSTR-3B**, but fail to furnish the said return along with payment of tax for the following months & **subject to conditions**. Further, Notification No. 3/2020- Integrated Tax dated 8<sup>th</sup> April 2020 & Notification No. 1/2020- Union Territory Tax dated 8<sup>th</sup> April 2020 has **waived/ lower the interest payable** for the class of registered persons, who fails to furnish the returns in **FORM GSTR-3B** along with payment of tax **for the months of February, March & April, 2020, subject to conditions** of filing the said return **within the dates as specified** in the above said notifications.

**Conditional waiver of late fee for delay in furnishing FORM GSTR-1:** The Central Government vide Notification No. 33/2020- Central Tax dated 3<sup>rd</sup> April 2020 has **waived the Late Fees** payable , for the registered persons who fail to furnish the details of outward supplies in **FORM GSTR-1** by the due date for the months of **March, 2020, April, 2020 and May, 2020, and for the quarter ending 31<sup>st</sup> March, 2020** , but furnishes the said details in **FORM GSTR-1, on or before the 30<sup>th</sup> day of June, 2020.**

**Extension of due date of furnishing FORM GST CMP-08 and FORM GSTR-4:** The Central Government vide Notification No. 34/2020- Central Tax dated 3<sup>rd</sup> April 2020 has extended the due dates of furnishing the forms GST CMP 08 and GSTR-4 by taxpayers registered under the **Composition scheme.**

**Extension of due date of compliances & extension of validity of E-way bills** - Notification No. 35/2020-Central Tax dated 3<sup>rd</sup> April 2020: Extended the time limit of 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 where the time limit is expiring between 20<sup>th</sup> March 2020 to 29<sup>th</sup> June 2020 shall be extended to 30<sup>th</sup> June, 2020. Further, where an e-way bill's period of validity expires during **20<sup>th</sup> March, 2020 to 15<sup>th</sup> April, 2020**, the validity period shall be deemed to have been **extended till the 30<sup>th</sup> April, 2020.**

**Extension of Due date for furnishing FORM GSTR-3B for the month of May, 2020:** The Central Government vide Notification No.36/2020- CT dt 3<sup>rd</sup> April 2020 has **extended the due date for filing of Form GSTR-3B** in a staggered manner for the **month of May, 2020.**

## 2. CUSTOM

**Exemption of customs duty:** The Central Government vide Notification No. 20/2020- Customs dated 9<sup>th</sup> April 2020 has **exempted the ventialators, Mask, personal protection equipments, COVID-19 Kits etc.** 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. This notification **shall remain in force upto and inclusive of the 30<sup>th</sup> September, 2020.**

**Special Refund and Drawback Disposal Drive:** In line with the decision to release all pending refunds in order to provide immediate relief to the business entities, especially MSMEs, the Central Government vide Instruction No. 03/2020- Customs dated 9<sup>th</sup> 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. 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.**

**Clarification in regards to refund, LUT and return filing etc.:** CBIC vide Circular No. 136/06/2020-GST dated 3<sup>rd</sup> April, 2020 has clarified various issue Clarification in respect of various measures announced by the Government for providing relief to the taxpayers in view of spread of Novel Corona Virus (COVID-19) in regards to refund, LUT, return filing etc.



### C. FEMA

**Settlement System under Asian Clearing Union (ACU) Mechanism - A.P. (DIR Series) Circular No. 22 dated March 17, 2020**

Board members of ACU have decided to permit Japanese Yen for settling payments among ACU member countries. Asian Monetary Unit is now denominated as “ACU Dollar”, “ACU Euro” and “ACU Yen” which shall be equivalent to One US Dollar, ON Euro and One Japanese Yen respectively.

With effect from 6<sup>th</sup> March 2020 participants in ACU will have to settle their transactions in either ACU Dollar or ACU Euro or ACU Yen.

**Investment by Foreign Portfolio Investors (FPI): Investment Limits - A.P. (DIR Series) Circular No. 24 dated March 30, 2020**

The limit for FPI investment in corporate bonds is increased 15% of outstanding stock for FY 2020-21. The revised limits for FPI investment in corporate bonds shall be as under:

Limits for FPI in Corporate Bonds for FY 2020-21 (₹ In crore)	
Current FPI Limit	3,17,000
Revised limit for HY Apr 2020 – Sep 2020	4,29,244
Revised limit for HY Oct 2020 – Mar 2021	5,41,488

The revised limits for FPI investment in Central Government Securities (G-Sec) and State Development Loans (SDLs) for FY 2020-21 will be advised separately. Till such time, the current limits shall continue

**Fully Accessible Route (FAR) for investment by Non-residents in Government securities - A.P. (DIR Series) Circular No. 25 dated March 30, 2020**

Certain specified categories of Central Government securities would be opened fully for non-resident investors without any restriction apart from being available to domestic investors as well. Accordingly, a new route is introduced known as Fully Accessible Route (FAR) for investment by non-residents in securities issued by GOI. The detailed scheme can be accessed from the following link: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11849&Mode=0#AN1>

**Realisation and Repatriation of Exports proceeds – Relaxation (A.P. (DIR Series) Circular No. 27 dated April 01, 2020)**

In view of the outbreak of pandemic COVID – 19 it has been decided to extend the period of realization and repatriation of full value of exports of goods or software or services from 9 months to 15 months with regards to exports made up to or on July 31, 2020. The provisions in regard to period of realization and repatriation to India of the full export value of goods exported to warehouses established outside India remain unchanged.

**Rupee Drawing Arrangement: Remittance to PM CARES Fund - A.P. (DIR Series) Circular No. 28 dated April 03, 2020**

It has been decided to permit receipt of foreign inward remittances from non-residents through non-resident exchange houses in favour of ‘Prime Minister’s Citizen Assistance and Relief in Emergency Situations (PM-CARES)’ subject to condition that AD Cat-I Banks shall directly credit the remittances to the fund and maintain full details of the remitters.

**Extension of Foreign Trade Policy (FTP 2015-2020) - Notification No. 57/2015-2020 dated 31<sup>st</sup> March, 2020 issued by Department of Commerce, Directorate General of Foreign Trade**

The existing Foreign Trade Policy (FTP 2015-2020) which was valid up to 31<sup>st</sup> March, 2020 is now being extended up to 31<sup>st</sup> March, 2021.

**Liberalisation of FDI Policy relating to Air Transport Services in Civil Aviation Sector - Press Note No. 2 dated March 19, 2020 issued by Department of Promotion of Industry and Internal Trade (DPIIT)**

The consolidated FDI Policy of 2017 has been amended to liberalize FDI Policy relating to the Civil Aviation Sector in Air transport Services. The said amendments will take effect from the date of FEMA notification. The detailed conditions of Press Note No. 2 can be accessed from the following link: [https://dipp.gov.in/sites/default/files/pn2\\_2020.pdf](https://dipp.gov.in/sites/default/files/pn2_2020.pdf)

## D. Ministry of Corporate Affairs

**The Companies (Amendment) Bill 2020:** The Companies (Amendment) Bill 2020 has been introduced in the Lok Sabha on 17<sup>th</sup> March, 2020. There are 64 amendments in the Bill and provisions for Producer Companies have been introduced. Further, Lesser penalties for One Person Companies or Small Companies have been introduced.

Details are available at [http://www.mca.gov.in/Ministry/pdf/Amendment\\_18032020.pdf](http://www.mca.gov.in/Ministry/pdf/Amendment_18032020.pdf)

**Board meetings under the Companies Act, 2013:** The Ministry of Corporate Affairs has relaxed the requirement of holding Board meetings with physical presence of directors, such meetings may till 30<sup>th</sup> June, 2020 be held through video conferencing or other audio visual means by duly ensuring compliance of rule 3 of the said rules.

Details are available at: [http://www.mca.gov.in/Ministry/pdf/Meeting\\_18032020.pdf](http://www.mca.gov.in/Ministry/pdf/Meeting_18032020.pdf)

**Companies Affirmation of Readiness towards COVID-19 Form:** MCA has issued Companies Affirmation of Readiness towards COVID-19 Form which is a voluntary form. Details are available at : [http://www.mca.gov.in/Ministry/pdf/Car\\_22032020.pdf](http://www.mca.gov.in/Ministry/pdf/Car_22032020.pdf)

**Special Measures under Companies Act, 2013 (CA-2013) and Limited Liability Partnership Act, 2008:** In order to support and enable Companies and Limited Liability Partnerships (LLPs) in India to focus on taking necessary measures to address the COVID-19 threat, including the economic disruptions caused by it, Special Measures under Companies Act, 2013 (CA-2013) and Limited Liability Partnership Act, 2008 in view of COVID-19 outbreak has been implemented. Details are available at: <https://resource.cdn.icai.org/58831clcgc47943.pdf>

**Clarification on spending of CSR funds for COVID-19:** MCA has issued a clarification mentioning that spending of Corporate Social Responsibility (CSR) funds for COVID-19 is eligible CSR activity. The funds may spent for various activities related to COVID-19 under Schedule VII(i) and (xii) relating to promotion of health care, including preventive health care and sanitation, and disaster management. Details are available at : [https://www.mca.gov.in/Ministry/pdf/Covid\\_23032020.pdf](https://www.mca.gov.in/Ministry/pdf/Covid_23032020.pdf)

**Clarification on contribution to PM CARES Fund as eligible CSR activity under item no. (viii) of the Schedule VII of Companies Act, 2013:** It has been clarified that any contribution made to the PM CARES Fund shall qualify as CSR expenditure under the Companies Act 2013. Details are available at : [http://www.mca.gov.in/Ministry/pdf/Circular\\_29032020.pdf](http://www.mca.gov.in/Ministry/pdf/Circular_29032020.pdf).

**MCA extends the last date of submitting the draft Companies (CSR Policy) Amendment Rules, 2020:** MCA has extended the last date of submission of public comments on the draft Companies (Corporate Social Responsibility Policy) Amendment Rules, 2020. till **April 20, 2020**. The public comments on the draft may be accessed at the web link <http://feedapp.mca.gov.in/csr/>.

**Company Fresh Settlement Scheme, 2020 (CFSS-2020):** As part of the government's efforts to provide

relief to companies in the wake of Covid-19, the Ministry of Corporate Affairs, has introduced the "Companies Fresh Start Scheme, 2020". Details are available at: [http://www.mca.gov.in/Ministry/pdf/Circular12\\_30032020.pdf](http://www.mca.gov.in/Ministry/pdf/Circular12_30032020.pdf). FAQs by ICAI on the Companies Fresh Start Scheme are available at the link <https://resource.cdn.icai.org/58908clcgc48020.pdf>

**Modification to LLP Scheme 2020:** The Ministry of Corporate Affairs vide its notification dated 30<sup>th</sup> March, 2020 has revised the LLP Settlement Scheme, 2020. Details are available at [http://www.mca.gov.in/Ministry/pdf/Circular13\\_30032020.pdf](http://www.mca.gov.in/Ministry/pdf/Circular13_30032020.pdf). FAQs by ICAI on the LLP Settlement Scheme, 2020 (Original and Modified) are available at the link <https://resource.cdn.icai.org/58902clcgc48009llpfaq.pdf>.

**DIN holders marked as "Deactivated" and companies marked as "ACTIVE non-compliant" can become compliant once again:** DIN holders of DINs marked as 'Deactivated' due to non-filing of DIR-3KYC/DIR-3 KYC-Web and those Companies whose compliance status has been marked as "ACTIVE non-compliant" due to non-filing of Active Company Tagging Identities and Verification(ACTIVE) eform are encouraged to become compliant once again.

**COVID-19 related Frequently Asked Questions (FAQs) on Corporate Social Responsibility (CSR):** A set of FAQs along with clarifications have been provided by MCA for better understanding on eligibility of CSR expenditure related to COVID-19 activities. Details are available at [http://www.mca.gov.in/Ministry/pdf/Notification\\_10042020.pdf](http://www.mca.gov.in/Ministry/pdf/Notification_10042020.pdf).

**Filings under section 124 and Section 125 of the Companies Act 2013 r/w IEPFA (Accounting, Audit, Transfer and Refund) Rules 2016 in view of emerging situation due to outbreak of COVID- 19:** MCA has already allowed filing without additional fees till 30<sup>th</sup> September, 2020. Therefore, transfer of money remaining unpaid or unclaimed for a period of seven years in terms of the provision of Section 124(5) of the Companies Act, 2013 and transfer of shares under 124(6) of the Companies Act, 2013 read with IEPFA Rules may be made accordingly. Details are available at [http://www.mca.gov.in/Ministry/pdf/Circular16\\_13042020.pdf](http://www.mca.gov.in/Ministry/pdf/Circular16_13042020.pdf).

**Clarification on passing of ordinary and special resolutions by companies:** MCA vide its circular dated 8<sup>th</sup> April, 2020 brought greater clarity on the modalities to be followed by companies for conduct of EGMs during the COVID-19 related social distancing norms and lockdown for the period. Clarifications were given regarding manner and mode of issue of notices to the members before convening the general meeting. The modalities have been given for companies which are required to provide the facility of e-voting under the Act or any other company which has opted for such facility and for companies which are not required to provide the facility of e-voting under the Act. Details are available at [http://www.mca.gov.in/Ministry/pdf/Circular14\\_08042020.pdf](http://www.mca.gov.in/Ministry/pdf/Circular14_08042020.pdf).