



WHITESPAN
A d v i s o r y

WINS
WHITESPAN INFORMATION AND NEWS SERVICES

NEWSLETTER

WINS

(WHITESPAN INFORMATION AND NEWS SERVICES)

**A GATEWAY TO KNOWLEDGE
MONTHLY NEWSLETTER**

August 01, 2020 – August 31, 2020

Issue No. – 041/ 2020

WHITESPAN
A d v i s o r y



FROM THE CHIEF EDITOR'S PEN

“Unless you try to do something beyond what you have already mastered, you will never grow.”

— Ronald E. Osborn

It gives us immense pleasure to share our 41th Edition of “WINS – e-newsletter” for August, 2020. My sincere gratitude to each one of you for sparing your valuable time in reading this newsletter and sharing your feedback. Your suggestions and ideas have been a source of inspiration for us and have motivated and guided us to scout for better contents in timely manner, month after month. Hope we not only help you to keep yourself updated but will also save your time by bringing a brief summary of the updates in the form of Editor's Quick Take.

In this issue we have covered the following:

1. Corporate Updates from MCA, RBI, SEBI, CBDT, CBEC and other miscellaneous laws
2. Articles on:
 - i. Contempt of Court: A Feudalist Law
 - ii. Process Of Extension Of AGM (Annual General Meeting)
 - iii. UDYAM REGISTRATION- FAQs
3. Compliance checklist for the month of September 2020.

We hope all these would be of your interest and use.

We take this opportunity to invite articles on topics of professional interest. Please ensure that the article is original, written in good style and adds value for the readers.

Your candid feedback are valuable: appreciation will encourage us; criticism will help us to improve!

Feedbacks can be sent at vinayshukla@whitespan.in

with Warm Regards

WINS (Whitespan Information and News Services)

August 31, 2020



Our Editorial Board comprises the following Professionals

1. **Mr. Vinay Shukla** - Mr. Vinay Shukla, a Fellow Member of The Institute of Company Secretaries of India (ICSI), a graduate in Law, Commerce and Management is Co-founder of WsA having more than thirty years' experience in wide spectrum of corporate functions.
2. **Mr. Mayank Rai** – LL.M, M.Phil, is a practicing advocate having more than 26 years of experience also an Asst. Professor in Dept. of Law, V.S.S.D.College, Kanpur.
3. **Ms. Jaya Yadav** - Ms. Jaya Yadav, a practicing company secretary based at Gurgaon is an associate member of The Institute of Company Secretaries of India (ICSI) and a graduate in law and Commerce from Delhi University.
4. **Mr. Himanshu Gupta** - Mr. Himanshu Gupta is an associate member of The Institute of Company Secretaries of India (ICSI) and a graduate in law and Commerce.
5. **Ms. Trishna Choudhary** - Ms. Trishna Choudhary is an associate member of The Institute of Company Secretaries of India (ICSI) and a graduate in commerce from Delhi University.
6. **Ms. Ankita Pandey** – Ms. Ankita Pandey is a commerce graduate from Kanpur University and an associate member of The Institute of Company Secretaries of India (ICSI).
7. **Ms. Divya Shukla**- Ms Divya Shukla is graduate in Law and Commerce from Christ University, Bengaluru.



INDEX

S. No	Section	Page No.
1	Ministry of Corporate Affairs (MCA)	5-10
2	Securities Exchange Board of India (SEBI)	11-19
3	Reserve Bank of India (RBI)	20-26
4	Central Board of Excise and Customs (CBEC)	27-28
5	Central Board of Direct Taxes (CBDT)	29-31
6	Miscellaneous Laws	32-40
7	Article on Contempt of Court: A Feudalist Law	41-46
8	Article on Process Of Extension Of AGM (Annual General Meeting)	47-50
9	Article on UDYAM REGISTRATION- FAQs	51-56
10	Compliance Checklist	57-61



WHITESPAN
A d v i s o r y

WINS
WHITESPAN INFORMATION AND NEWS SERVICES

NEWSLETTER



MCA

**Ministry
of
Corporate Affairs**



1. CLARIFICATION ON DISPATCH OF NOTICE UNDER SECTION 62(2) COMPANIES ACT, 2013 BY LISTED COMPANIES FOR RIGHTS ISSUES OPENING UPTO DECEMBER 31, 2020

Date of Circular : August 03, 2020

Effective Date : August 03, 2020

Above Circular is available at the following link:

http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.25_03082020.pdf

Editor's Quick Take:

Ministry of Corporate Affairs vide its circular dated August 03, 2020 issued a clarification in continuation to its circular no 21/2020 dated May 11, 2020 under paragraph 2, with respect to the dispatch of notices.

Such circular shall continue to be applicable for right issue in case of listed companies opening up to December 31, 2020.

Accordingly, in case of listed companies, which comply with relevant circulars issued by SEBI, inability to dispatch the relevant notice to shareholders through registered post or speed post or courier would not be viewed as a violation of section 62(2) of the Act for rights issues opening up to 31st December, 2020. Other requirements provided in the said General Circular remain unchanged.



2. CLARIFICATION ON EXTENSION OF ANNUAL GENERAL MEETING (AGM) FOR THE FINANCIAL YEAR ENDED AS AT 31.03.2020- COMPANIES ACT, 2013

Date of General Circular : August 17,2020

Effective Date : August 17,2020

Above general circular is available at the following link:

http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.28_17082020.pdf

Editor's Quick Take:

MCA vide its General Circular dated August 17, 2020 in continuation of its previous General Circular No. 20/2020 dated 5th May, 2020 has further clarified that Companies which are unable to hold their Annual General Meeting (AGM) for the financial year ended on 31st March, 2020 even after availing the relaxation to hold Annual General Meeting (AGM) through video conferencing can now file application in E Form GNL 1 for seeking extension of time for holding Annual General Meeting (AGM) for the financial year ended on 31st March, 2020 with the concerned ROC on or before 19.09.2020.

The Registrars of Companies are hereby advised to consider all such applications (filed in Form No. GNL-1) liberally in view of the hardships faced by the stakeholders and to grant extension for the period as applied for (upto three months) in such applications.



3. THE COMPANIES (MANAGEMENT AND ADMINISTRATION) AMENDMENT RULES, 2020.

Date of Notification : August 28,2020

Effective Date : August 28,2020

Above Notification circular is available at the following link:

http://www.mca.gov.in/Ministry/pdf/Rule_29082020.pdf

Editor's Quick Take:

MCA vide its Notification dated August 28, 2020 notified Companies (Management and Administration) Amendment Rules, 2020 by amending the Companies (Management and Administration) Rules, 2014 by inserting the following proviso in Rule 12 (1):

OLD RULE	NEW RULE
Rule 12: The extract of the annual return to be attached with the Board's Report shall be in Form No. MGT - 9.	Rule 12: The extract of the annual return to be attached with the Board's Report shall be in Form No. MGT - 9. "Provided that a company shall not be required to attach the extract of the annual return with the Board's report in Form No. MGT.9, in case the web link of such annual return has been disclosed in the Board's report in accordance with sub-section (3) of section 92 of the Companies Act, 2013."



4. THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) AMENDMENT RULES, 2020.

Date of Notification : August 24, 2020

Effective Date : August 24, 2020

Above Notification circular is available at the following link:

http://www.mca.gov.in/Ministry/pdf/csr_26082020.pdf

Editor's Quick Take:

MCA vide its Notification dated August 24, 2020 notified the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2020 by amending the Companies (Corporate Social Responsibility Policy) Rules, 2014:

Key highlights of the amendment are:

- Addition in the definition of CSR Policy - A company engaged in research and development activity of new vaccine, drugs and medical devices in their normal course of business may undertake research and development activity of new vaccine, drugs and medical devices related to COVID-19 for financial years 2020-21, 2021-22 and 2022-23 subject to the conditions that-
 - i. Such research and development activities shall be carried out in collaboration with any of the institutes or organisations mentioned in item (ix) of Schedule VII to the Act.
 - ii. Details of such activity shall be disclosed separately in the Annual Report on CSR included in the Board's Report".
- Activities undertaken in pursuance of its normal course of business" have been excluded from the CSR Activities as defined under the Rules.



4. AMENDMENT IN ITEM NO. 9 IN SCHEUDLE VII OF THE COMPANIES ACT, 2013

Date of Notification : August 24, 2020

Effective Date : August 24, 2020

Above Notification circular is available at the following link:

http://www.mca.gov.in/Ministry/pdf/NotificationCompAct_26082020.pdf

Editor's Quick Take:

MCA vide its Notification dated August 24, 2020 has amended item no. 9 in schedule VII of the Companies Act, 2013 by substituting the following with the previous item:

“(ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and (b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs)”.



WHITESPAN
A d v i s o r y

WINS
WHITESPAN INFORMATION AND NEWS SERVICES

NEWSLETTER



SEBI

**Securities
Exchange
Board of India**



NEWSLETTER

1. INVESTOR GRIEVANCES REDRESSAL MECHANISM –HANDLING OF SCORES COMPLAINTS BY STOCK EXCHANGES AND STANDARD OPERATING PROCEDURE FOR NON-REDRESSAL OF GRIEVANCES BY LISTED COMPANIES

Date of Circular : August 13, 2020

Effective Date : September 01, 2020

Above Circular is available at the following link:

https://www.sebi.gov.in/legal/circulars/aug-2020/investor-grievances-redressal-mechanism-handling-of-scores-complaints-by-stock-exchanges-and-standard-operating-procedure-for-non-redressal-of-grievances-by-listed-companies_47325.html

Editor's Quick Take:

SEBI vide its circular dated August 13, 2020 in continuation of its earlier circulars dated March 26, 2018 regarding redressal of investor grievances through SCORES platform and January 22, 2020 on non-compliance with certain provisions of SEBI Listing Regulations, laid down the procedure for handling complaints by the stock exchanges as well as standard operating procedure for actions to be taken against listed companies for failure to redress investor grievances.

The circular contains various procedures to handle the complaints by the Stock Exchange, Action for failure to redress investor complaints and Action after redressal of investor grievance by the company.



NEWSLETTER

2. PROCEDURAL GUIDELINES FOR PROXY ADVISORS

Date of Circular : August 03, 2020

Effective Date : September 01, 2020

Above Circular is available at the following link:

https://www.sebi.gov.in/legal/circulars/jul-2020/guidelines-for-issue-and-listing-of-structured-products-market-linked-debentures-amendments_47053.html

Editor's Quick Take:

SEBI vide its circular dated July 13, 2020 has notified that valuation of Market linked Debentures shall be carried out by an agency appointed by AMFI for the purpose of carrying out valuation ("hereinafter referred as AMFI appointed valuation agency").

As per the amendment it shall be mandatory for the issuer to appoint a third-party valuation agency which shall be an AMFI appointed valuation agency.



3. GRIEVANCE RESOLUTION BETWEEN LISTED ENTITIES AND PROXY ADVISORS

Date of Circular : August 04, 2020

Effective Date : September 01, 2020

Above Circular is available at the following link:

https://www.sebi.gov.in/legal/circulars/aug-2020/grievance-resolution-between-listed-entities-and-proxy-advisers_47252.html

Editor's Quick Take:

SEBI vide its circular dated August 4, 2020 has formulated grievance resolution system between Listed Entities and Proxy Advisors.

Proxy advisors provide advice to institutional investors /shareholders of a listed entity, in relation to exercise of their rights in the company including voting recommendation on agenda items. However, due to the inherent nature of the work, it is probable that proxy advisors and listed entities may have different views on any agenda item of the listed entity leading to grievances.

In order to facilitate resolution of such grievances of listed entities against SEBI registered proxy advisors, the listed entities may approach SEBI. SEBI will examine the matter for non-compliance by proxy advisors with the provisions of the Code of Conduct under regulation 24(2) read with regulation 23(1) of the SEBI (Research Analyst) Regulations, 2014 and the procedural guidelines for proxy advisors issued vide SEBI circular no. SEBI/HO/IMD/DF1/CIR/P/2020/147 dated August 03, 2020.



4. SEBI (INTERNATIONAL FINANCIAL SERVICES CENTRES) GUIDELINES, 2015-AMENDMENT

Date of Circular : August 07, 2020

Effective Date : August 07, 2020

Above Circular is available at the following link:

https://www.sebi.gov.in/legal/circulars/aug-2020/sebi-international-financial-services-centres-guidelines-2015-amendment_47281.html

Editor's Quick Take:

SEBI vide its circular dated August 07, 2020 has issued amended International Financial Services Centre (IFSC) Guidelines pertaining to eligibility criteria and shareholding limit for clearing corporations that wish to operate in such centers. Under the norms, any Indian recognised stock exchange or clearing corporation, or, any recognised stock exchange or clearing corporation of a foreign jurisdiction will form a subsidiary to provide the services of clearing corporation in IFSC wherein at least 51 percent stake is held by such exchange or clearing corporation. The remaining share capital may be acquired or held by any other person, whether Indian or foreign jurisdiction. Besides, such person will not at any time, directly or indirectly, either individually or together with persons acting in concert, acquire or hold more than 5 percent stake in a clearing corporation in IFSC, subject to applicable laws.



5. CORRIGENDUM TO MASTER CIRCULAR FOR DEPOSITORIES DATED OCTOBER 25, 2019 ON PRESERVATION OF RECORDS

Date of Circular : August 18, 2020

Effective Date : August 18, 2020

Above Circular is available at the following link:

https://www.sebi.gov.in/legal/circulars/aug-2020/corrigendum-to-master-circular-for-depositories-dated-october-25-2019-on-preservation-of-records_47344.html

Editor's Quick Take:

SEBI vide its circular dated August 18, 2020 released corrigendum to Master Circular for Depositories dated October 25, 2019 on preservation of records.

In the aforementioned Circular, paragraph 2 of SEBI circular MRD/DoP/DEP/Cir-20/2009 dated December 9, 2009 has been partially modified as under:

“In terms of Regulations 54 and 66 of the SEBI (Depositories and Participants) Regulations, 2018 (herein referred to as D&P Regulations, 2018) notified on October 03, 2018, Depositories and Depository Participants are required to preserve the records and documents for a minimum period of eight years”.

It may be noted that the other provisions of SEBI circular MRD/DoP/DEP/Cir-20/2009 dated December 9, 2009 shall remain unchanged.



6. SECURITIES AND EXCHANGE BOARD OF INDIA (INTERNATIONAL FINANCIAL SERVICES CENTRES) GUIDELINES, 2015-AMENDMENTS

Date of Circular : August 21, 2020

Effective Date : August 21, 2020

Above Circular is available at the following link:

https://www.sebi.gov.in/legal/circulars/aug-2020/securities-and-exchange-board-of-india-international-financial-services-centres-guidelines-2015-amendments_47375.html

Editor's Quick Take:

SEBI Vide its Circular Dated August 21, 2020 has amended the provisions of the SEBI (International Financial Services Centres) guidelines 2015, by incorporating new Clause 8 (3) which states as under:

“8 (3) An entity, based in India or in a foreign jurisdiction, may provide financial services in IFSC, subject to compliance with the applicable regulatory framework/ guidelines for such financial services, as specified by the Board, from time to time.”



7. PROCEDURAL GUIDELINES FOR PROXY ADVISORS'-EXTENSION OF IMPLEMENTATION TIMELINE

Date of Circular : August 27, 2020

Effective Date : January 01, 2021

Above Circular is available at the following link:

https://www.sebi.gov.in/legal/circulars/aug-2020/procedural-guidelines-for-proxy-advisors-extension-of-implementation-timeline_47412.html

Editor's Quick Take:

SEBI vide its circular dated August 27, 2020 has extended the timeline for compliance with the requirements of SEBI Circular No. SEBI/HO/IMD/DF1/CIR/P/2020/147 dated August 03, 2020, by four months. Accordingly, the provisions of said SEBI Circular shall be applicable with effect from January 01, 2021.

Accordingly In view of the above, circular related to the Grievance Resolution between listed entities and proxy advisers' – Extension of timeline for implementation SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/119 dated August 04, 2020 shall also be applicable with effect from January 01, 2021



8. TEMPORARY RELAXATION IN PROCESSING OF DOCUMENTS PERTAINING TO FPI's DUE TO COVID-19

Date of Circular : August 31, 2020

Effective Date : January 01,2021

Above Circular is available at the following link:

https://www.sebi.gov.in/legal/circulars/aug-2020/temporary-relaxation-in-processing-of-documents-pertaining-to-fpis-due-to-covid-19_47446.html

Editor's Quick Take:

SEBI vide its circular dated August 31,2020 has been decided in continuation to its earlier circular No. SEBI/HO/FPI&C/CIR/P/2020/056 dated March 30, 2020 had prescribed temporary relaxation in processing of documents pertaining to FPIs due to COVID-19. Further, vide Circular No. SEBI/HO/FPI&C/CIR/P/2020/104 dated June 23, 2020, the temporary relaxations were extended till August 31, 2020.

Now the entities from jurisdictions which are still under lockdown, the temporary relaxations shall be extended to the entities from such jurisdictions till the time lockdown is lifted from such jurisdictions. However , in-transit applications shall be processed on the basis of provisions of aforesaid circular dated March 30, 2020.

It may be noted that for the entities from jurisdictions where lockdown has already been lifted , the relaxation provided under the aforesaid circular dated March 30, 2020 shall not be applicable



WHITESPAN
A d v i s o r y

WINS
WHITESPAN INFORMATION AND NEWS SERVICES

NEWSLETTER

RBI



**Reserve Bank
of India**



1. ONLINE DISPUTE RESOLUTION (ODR) SYSTEM FOR DIGITAL PAYMENTS

Date of Circular: August 06, 2020

Effective Date : August 06,2020

Above circular is available at the following link:

https://www.rbi.org.in/scripts/BS_CircularIndexDisplay.aspx?Id=11946

Editor's Quick Take:

RBI vide its Circular dated August 6, 2020 announced introduction of Online Dispute Resolution (ODR) system for resolving customer disputes and grievances pertaining to digital payments, using a system-driven and rule-based mechanism with zero or minimal manual intervention.

As a step in this direction, authorised Payment System Operators (PSOs) – banks and non-banks – and their participants are advised to put in place system/s for ODR for resolving disputes and grievances of customers.



2. REVIEW OF GUIDELINES FOR CORE INVESTMENT COMPANIES

Date of Circular: August 13, 2020

Effective Date : August 13, 2020

Above circular is available at the following link:

https://www.rbi.org.in/scripts/BS_CircularIndexDisplay.aspx?Id=11949

Editor's Quick Take:

RBI vide its circular dated August 13, 2020 has revised the guidelines applicable for Core Investment Companies. Key highlights of revised guidelines are as follows :

Definition of Adjusted Net worth (ANW) : The deduction requirement shall take immediate effect for any investment made by a CIC in another CIC after date of issue of this circular. In cases where the investment by a CIC in another CIC is already in excess of 10 percent as on the date of this circular, the CIC need not deduct the excess investment as on the date of this circular from owned funds for computation of its ANW till March 31, 2023

Group Structure: The number of layers of CICs within a Group (including the parent CIC) shall be restricted to two, irrespective of the extent of direct or indirect holding/ control exercised by a CIC in the other CIC. If a CIC makes any direct/ indirect equity investment in another CIC, it will be deemed as a layer for the investing CIC. While the regulation shall be applicable from the date of the circular, existing entities shall reorganize their business structure and adhere to this guideline latest by March 31, 2023.



Consolidation of Financial Statement (CFS) : CIC's shall prepare CFS as per provisions of Companies Act, 2013, so as to provide a clear view of the financials of the group as a whole. However, it is possible that entities that meet the definition of group as per extant regulations are not covered under consolidation due to exemptions granted as per statutory provisions/ applicable accounting standards. For such entities which are not included in the consolidation, disclosures shall be made in the indicative format mentioned at paragraph 2 of the [Annex](#). In the process of consolidation, the auditor of a CIC, as the 'Principal Auditor', shall use the work of other auditors with respect to the financial information of other respective entities, subject to auditing standards as also guidance notes issued by the Institute of Chartered Accountants of India¹ from time to time.

Registration: CIC's (a) with an asset size of less than ₹100 crore, irrespective of whether accessing public funds or not and (b) with an asset size of ₹100 crore and above and not accessing public funds are not required to register with the Bank under Section 45IA of the RBI Act, 1934 in terms of notification No. DNBS.PD.221/CGM (US) 2011 dated January 5, 2011.



3. NEW DEFINITION OF MICRO, SMALL AND MEDIUM ENTERPRISES – CLARIFICATIONS

Date of Circular: August 21, 2020

Effective Date : August 21, 2020

Above circular is available at the following link:

https://www.rbi.org.in/scripts/BS_CircularIndexDisplay.aspx?Id=11951

Editor's Quick Take:

RBI vide its circular dated August 21, 2020 has, inter alia, clarified the following:

a) Classification of Enterprises as per new definition

(i) Classification / Re-classification of MSMEs is the statutory responsibility of the GOI, Ministry of MSME, as per the provisions of the MSMED Act, 2006.

(ii) As per Para 2 of the said Gazette notification all enterprises are required to register online and obtain 'Udyam Registration Certificate'. All lenders may, therefore, obtain 'Udyam Registration Certificate' from the entrepreneurs.

b) Validity of EM Part II and UAMs issued till June 30, 2020 (i) The existing Entrepreneurs Memorandum (EM) Part II and Udyog Aadhaar Memorandum (UAMs) of the MSMEs obtained till June 30, 2020 shall remain valid till March 31, 2021. Further, all enterprises registered till June 30, 2020, shall file new registration in the Udyam Registration Portal well before March 31, 2021.

(ii) 'Udyam Registration Certificate' issued on self-declaration basis for enterprises exempted from filing GSTR and / or ITR returns will be valid for the time being, upto March 31, 2021.



c) Value of Plant and Machinery or Equipment

The online form for Udyam Registration captures depreciated cost as on 31st March of each year of the relevant previous year. Therefore, the value of Plant and Machinery or Equipment for all purposes of the Notification No. S.O. 2119(E) dated June 26, 2020 and for all the enterprises shall mean the Written Down Value (WDV) as at the end of the Financial Year as defined in the Income Tax Act and not cost of acquisition or original price, which was applicable in the context of the earlier classification criteria.

d) In view of the above, instructions contained in circular FIDD.MSME & NFS.BC.No. 10/06. 02. 31/2017-18 dated July 13, 2017 on 'Investment in Plant and Machinery for the purpose of classification as Micro, Small and Medium Enterprises – documents to be relied upon' are superseded.



4. SUBMISSION OF RETURNS UNDER SECTION 31 OF THE BANKING REGULATION ACT, 1949 (AACS) – EXTENSION OF TIME

Date of Circular: August 26, 2020

Effective Date: August 26, 2020

Above circular is available at the following link:

https://www.rbi.org.in/scripts/BS_CircularIndexDisplay.aspx?Id=11953

Editor's Quick Take:

RBI vide its circular dated August 26, 2020 extended period of three months for the furnishing of the returns under Section 31 of the Act for the financial year ended on March 31, 2020 by a further period of three months. Accordingly, all UCBs shall ensure submission of the aforesaid returns to Reserve Bank on or before September 30, 2020.

As per the section 31 of the Banking Regulation Act, 1949 ("the Act") read with Section 56 the Act [as amended by the Banking Regulation (Amendment) Ordinance, 2020], accounts and balance-sheet referred to in section 29 of the Act together with the auditor's report shall be published in the prescribed manner and three copies thereof shall be furnished as returns to the Reserve Bank within three months from the end of the period to which they refer. In terms of the first proviso to the above section, Reserve Bank may in any case extend the said period of three months for the furnishing of such returns by a further period not exceeding three months.



WHITESPAN
A d v i s o r y

WINS
WHITESPAN INFORMATION AND NEWS SERVICES

NEWSLETTER

CBEC



**Central Board
of Excise & Customs**



1. INTEREST ON DELAYED PAYMENT OF GST: CBIC

Date of Press release : August 26, 2020

Effective Date: August 26, 2020

Above Press Release is available at the following link:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1648751>

Editor's Quick Take:

CBIC vide its press release dated August 26, 2020 has clarified that the notification on charging interest on delayed payment of GST on net liability is prospective in nature, the central and state tax administration would not implement it retrospectively. The GST law stated that 18% interest is to be charged on delayed gross GST payment, which meant that the GST liability considered for interest calculation included the part which could be offset by input tax credit. The CBIC in a statement said that due to technical reasons, the notification to give effect to the GST Council decision has been issued prospectively from September 1. Further, CBIC has assured that no recoveries shall be made for the past period as well by the Central and State Tax Administration in accordance with the decision was taken in the 39th Meeting of the GST Council.



WHITESPAN
A d v i s o r y

WINS
WHITESPAN INFORMATION AND NEWS SERVICES

NEWSLETTER



CBDT

**Central Board
of Direct Taxes**



1. CBDT AMENDS INCOME TAX RULES TO PROVIDE CERTAIN EXEMPTIONS TO A SPECIFIED CATEGORY OF NON-RESIDENTS

Date of Notification : August 10, 2020

Effective from : August 10, 2020

Above Notification is available at the following link:

https://www.incometaxindia.gov.in/communications/notification/notification_58_2020.pdf

Editor's Quick Take:

CBDT vide its notification dated August 10, 2020 has notified the **Income-tax (19th Amendment) Rules, 2020** which shall have the effect of providing exemptions to non-residents (except companies), having no income from India other than through investment in Category I and II Alternative Investment Fund, located in International Financial Services Centres (IFSCs) (called as "Specified Funds" in notification). These exemptions are:

1. Exemption from obtaining PAN u/s 139A.
2. Exemption from TDS being deducted on their Income at higher rate u/s 206AA.



NEWSLETTER

2. CBDT AMENDS INCOME TAX RULES TO PRESCRIBE ADDITIONAL COMPLIANCES FOR PENSION FUNDS

Date of Notification : August 17, 2020

Effective Date : August 17, 2020

Above Notification is available at the following link:

https://www.incometaxindia.gov.in/communications/notification/notification_67_2020.pdf

Editor's Quick Take:

CBDT vide its notification dated August 17, 2020 has notified Income-tax (20th Amendment) Rules, 2020 through which two new rules are inserted into Income Tax Rules, 1962, which states as follows:

- Additional conditions to be satisfied by pension funds.
- Application to be made to get notified as eligible to make investment in terms of Section 10(23FE).
- In the Appendix-II Form No. 10BBA , 10BBB, and 10 BBC shall be inserted after Form No. 10BB



WHITESPAN
A d v i s o r y

WINS
WHITESPAN INFORMATION AND NEWS SERVICES

NEWSLETTER

Misc.Laws





1. IBBI PROVIDES OPTION TO REPLACE LIQUIDATOR UNDER VOLUNTARY LIQUIDATION PROCESS

Date of Notification : August 05, 2020

Effective Date : August 05, 2020

Above Notice is available at the following link:

<https://ibbi.gov.in/uploads/legalframwork/41dae71b62c3fa756602c8fec7848b58.pdf>

Editor's Quick Take:

IBBI vide its notification dated August 05, 2020 notified the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) (Second Amendment) Regulations, 2020 to amend the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017.

The amended regulation provides an option to the Corporate Persons to replace the insolvency professional as liquidator by appointing another insolvency professional as liquidator by a resolution of members or partners, or contributories, as the case may be.



2. IBBI AMENDS REGULATIONS TO PROVIDE CLARIFICATION IN REGARD TO REMUNERATION PAYABLE TO A LIQUIDATOR

Date of Notification : August 05, 2020

Effective Date : August 05, 2020

Above Notification is available at the following link:

<https://ibbi.gov.in/uploads/legalframwork/99821042db3990a40cd7082f06019911.pdf>

Editor's Quick Take:

IBBI vide its notification dated August 05, 2020 notified Insolvency and Bankruptcy Board of India (Liquidation Process) (Third Amendment) Regulations, 2020 to amend the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

The amendment clarifies that where a liquidator realises any amount, but does not distribute the same, he shall be entitled to a fee corresponding to the amount realised by him.

Likewise, where a liquidator distributes any amount, which is not realised by him, he shall be entitled to a fee corresponding to the amount distributed by him.



NEWSLETTER

3. AVOIDANCE TRANSACTION- RED FLAGS

Date of Release : August 07, 2020

Effective date: August 07, 2020

Above Release is available at the following link:

<https://ibbi.gov.in/uploads/legalframework/72438989cca02508e20db38d5f18958e.pdf>

Editor's Quick Take:

IBBI vide its release dated August 07, 2020 has issued the document on Avoidance Transaction – Red Flags for the benefit of Insolvency Professionals (IPs). The IBBI has facilitated the preparation of this document for the use of IPs in understanding and identifying various red flags which may point to the need for a review of Avoidance transactions as covered under Sections 43, 45, 50 and 66 of the Code. In furtherance to its endeavor of achieving the objectives of the Code and keeping in mind the role of an IP, IBBI has released this document which is intended to guide the IPs to identify situations which would merit such Avoidance Transaction review and resultant application to AA. For the convenience of IPs, the various Red Flags have been collated and placed under the following six broad categories, namely, Red Flags related to Entity, Group and Operations; Maintenance of Books and Records; Regulatory Compliance and Litigation; Independent Auditor Reports; Financial Statements and Board Reports; and Classification and Reporting of Frauds (as covered under RBI Master Directions).



4. INSOLVENCY AND BANKRUPTCY BOARD OF INDIA (INSOLVENCY RESOLUTION PROCESS FOR CORPORATE PERSONS) (FOURTH AMENDMENT) REGULATIONS, 2020.

Date of Notification : August 07, 2020

Effective Date : August 07, 2020

Above Notification is available at the following link:

<https://ibbi.gov.in/uploads/legalframework/691983ad021bf2a65a708f57d17595b8.pdf>

Editor's Quick Take:

IBBI vide its notification dated August 07, 2020 notified the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Fourth Amendment) Regulations, 2020 to amend the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. The amendments have substituted sub-sections and sub-regulations to provide further clarity to the end user.

Key highlights of the Amendment are as follows :

In regulation 4A, in sub-regulation (2), after clause (a), the following clause shall be inserted, namely: -

“(aa) having their addresses, as registered with the Board, in the State or Union Territory, as the case may be, which has the highest number of creditors in the class as per their addresses in the records of the corporate debtor:

Provided that where such State or Union Territory does not have adequate number of insolvency professionals, the insolvency professionals having addresses in a nearby State or Union Territory, as the case may be, shall be considered;”.



In regulation 39, for sub-regulation (3), the following sub-regulations shall be substituted, namely: -

“(3)The committee shall-

- (a) evaluate the resolution plans received under sub-regulation (2) as per evaluation matrix;
- (b) record its deliberations on the feasibility and viability of each resolution plan; and
- (c) vote on all such resolution plans simultaneously

(3A)Where only one resolution plan is put to vote, it shall be considered approved if it receives requisite votes.

(3B)Where two or more resolution plans are put to vote simultaneously, the resolution plan, which receives the highest votes, but not less than requisite votes, shall be considered as approved: Provided that where two or more resolution plans receive equal votes, but not less than requisite votes, the committee shall approve any one of them, as per the tie-breaker formula announced before voting: Provided further that where none of the resolution plans receives requisite votes, the committee shall again vote on the resolution plan that received the highest votes, subject to the timelines under the Code.



5. SOP FOR APPLYING AND PROCESSING OF REFUND OF ERRONEOUS/ INADVERTENT PAYMENTS CREDITED INTO THE FSSAI ACCOUNT IN RESPECT OF LICENSE/REGISTRATION FEE.

Date of Order : August 18, 2020

Effective Date : August 18, 2020

Above Order is available at the following link:

https://foodlicensing.fssai.gov.in/PDF/SOP_Order18082020.pdf

Editor's Quick Take:

FSSAI vide its order dated August 18, 2020 has issued Standard Operating Procedures for applying and processing of refund of erroneous or inadvertent payments credited into the FSSAI Account in respect of license registration fee. There have been instance, where the applicant has applied several times erroneously for the registration/license on the FSSAI online portal. According to the Standard Operating Procedure, the request for the refund of the payment of a fee for the license or the registration shall be made within 1 year of the payment, online on the registration portal. The application shall be dealt with by the Regulatory Compliance Division (RCD) shall then forward the complaint to the IT Division. After the inspection has been completed by the IT Division, the request shall then be processed with the proper facts by the RCD for the repayment. Further, the Repayment shall be processed according to the administrative structure provided by the competent authority and no refund of less than Rupees 100 shall be processed. The refund shall be done only in cases of double payment or due to some technical glitch, made through razor pay. The amount shall be then refunded through razor pay only. The fee paid successfully for the registration or the license shall not be refunded.



6. THE NCLT ORDER FOR MODIFICATION OF ORDER FILE NO. 25/02/2020-NCLT DATED 12TH MAY, 2020

Date of Order : August 13, 2020

Effective Date : August 13, 2020

Above order is available at the following link:

https://nclt.gov.in/sites/default/files/August/circulars/img20200813_14215869.pdf

Editor's Quick Take:

NCLT vide its order dated August 13, 2020 has directed all concerned to file default record from Information Utility along with the new petitions being filed under **Section 7 of Insolvency and Bankruptcy Code, 2016** wherever available with the Information Utility. Further, the Authorized Representatives / Parties in the cases pending for admission under the aforesaid section of IBC also directed to file default record from Information utility, wherever available with the Information Utility. Earlier it was mandated to have records from Information Utility and no new petition was entertained without a record of default under section 7 of IBC, 2016.



6. THE TRADE MARKS REGISTRY HAS ISSUED A PUBLIC NOTICE TO CONDUCT SHOW-CAUSE HEARING THROUGH VIDEO CONFERENCING

Date of Notice : August 26, 2020

Effective Date: August 26, 2020

Above Notice is available at the following link:

http://www.ipindia.nic.in/writereaddata/Portal/News/707_1_Public_Noteice_TLA.pdf

Editor's Quick Take:

Trade Marks Registry vide its Public Notice dated August 26, 2020 announced to conduct Show-Cause Hearing through Video Conferencing. It stated that hearings will be scheduled in those matters where the applicant or authorised agent gives consent and confirm their participation for the hearing through Video Conferencing. In this regard, all Applicants / Agents who are interested in hearing of their matters through video conferencing are requested to submit their consent to attend Show-Cause Hearing by sending an email at tlahearing-tmr@gov.in. Email sent to any other email address shall not be entertained. It may be noted that only cases for those parties will be scheduled for hearing where concern applicants or their authorised agent submit consent on or before 05/09/2020. Other applications will be kept in abeyance to schedule hearing in person as and when hearing with a physical presence are started. It may further be noted that if the applicant or its authorised agent as the case may remain absent on the date of hearing the application will be decided as per law. For submitting consent for hearing through video conferencing applicant or its authorised agent shall submit his request by writing in subject "consent for show-cause Hearing through Video Conference". The Office will try to schedule all pending applications of concern applicant/agent on the same day in sequential order as per available time.



ARTICLES ON:

- 1. CONTEMPT OF COURT: A FEUDALIST LAW**
- 2. PROCESS OF EXTENSION OF AGM (ANNUAL GENERAL MEETING)**
- 3. UDYAM REGISTRATION- FAQs**



CONTEMPT OF COURT: A FEUDALIST LAW

The origin of the law of Contempt of Courts in India can be traced from the English law. In England, Superior Courts of Record have from early times, exercised the power to commit for contempt persons who scandalized the Court or the Judges of Court. The right of the Indian High Courts to punish for contempt, was in the first instance recognised by the Judicial Committee of the Privy Council which observed that the offence of the contempt of court and the power of the High Courts to punish it are the same in such courts as in the Supreme Court in England. The Privy Council also observed that the three chartered High Courts i.e. High Court of Calcutta, Bombay, and Madras had inherent power to punish for contempt

The Indian statute on the law of contempt in India, i.e. the Contempt of Courts Act, 1926 defines the term “contempt of court” as a civil and a criminal contempt. Civil contempt is defined as willful disobedience by any person to any judgment, decree, direction, order, writ, or other process of a court or a willful breach of an understanding given to a court, whereas Criminal contempt is defined as the publication (whether by words, spoken or written) or the doing of any other act whatsoever which, scandalizes the authority of, any court, lowers the authority of, any court, prejudices, or interferes with the due course of any judicial proceeding, and interferes or tends to interfere with or obstruct the administration of justice in any manner.



The main question which arises out of the contempt definition is that, do the people in the democratic system of India has the power to criticize the Court, its functioning and Judges of the Courts. The very fabric of democracy which is provided under the Indian Constitution, puts citizen at top and makes other authorities, whether be the President or Prime Minister, other ministers, judges, legislators, bureaucrats, police, army answerable to the people. It is the people under the democracy who have ultimate rights and it is their duty to exercise their rights keeping in mind the fundamental duties given and promised under the Indian Constitution.

Further, Indian Constitution which is supreme in itself, provides the fundamental rights to all its citizen. **Article 19(a)** of the Indian Constitution, 1950 provides, the fundamental right of freedom of speech and expression. Take no doubt, power of contempt to the Hon'ble Supreme Court and Hon'ble High Court, is also given under **Article 129** and **Article 215** of the Indian Constitution, 1950 respectively.

So, on one hand the Indian Constitution has given the freedom of speech to all its citizen, where under, people have a right to criticize the court, its functioning, and its judges, and on the another hand the Constitution has also given power to the Hon'ble Supreme and High Courts to punish if any person criticizes the court, its functioning, and its judges.

The big question arises from above is how to reconcile both the provisions of Indian Constitution. Authors in their intellect has reconciled the above provisions with the **Gunapradhan Axiom** of **Badha Principle** of Mimamsa Rules of Interpretation. **Gunapradhan Axiom** consists two words i.e. “**Guna**” which means subordinate or accessory while “**Pradhan**” means Principle. The **Gunapradhan Axiom** states:

“If a word or sentence purporting to express a subordinate idea clashes with the principal idea, the former must be adjusted to the latter or must be disregarded altogether.”

According to Jaimini, acts are of two kind, principal and subordinate (see Jaimini 2 : 1 : 6).

In Sutra 3 : 3 : 9 Jaimini states:

गुणमुख्यव्यतिक्रमे तदर्थत्वात् मुख्येन वेद संयोगः

When the Primary and the Accessory belong to two different Vedas, the Vedic characteristic of the Accessory is determined by the Primary, as the Accessory is subservient to the purpose of the primary.

In, authors view **Article 19(a)** of the Indian Constitution is the “**Pradhana**” and Article 129 and Article 215 are the “**Guna**” and Article 129 & Article 215 cannot be read in isolation and has to be read with Article 19(a) of the Indian Constitution.



Further, a basic defect in the law of contempt of court in India is that it is uncertain. Fali Nariman, the eminent Indian Jurist had once described the law of contempt as "the dog's law". The British jurist **Bentham** said that when a dog does something nasty you beat it. Similarly, the law of contempt of court is known only when someone is punished, and thus it is a standing threat to freedom of speech.

Lord Denning in **R Vs. Police Commissioner (1968)** has said "Let me say at once that we will never use this jurisdiction to uphold our own dignity. That must rest on surer foundations. Nor will we use it to suppress those who speak against us. We do not fear criticism, nor do we resent it. For there is something far more important at stake. It is no less than freedom of speech itself."

In conclusion, it has to be said that whole contempt of court act or proceedings cannot be said to be in derogation of **Article 19(a)** of the Indian Constitution. Contempt of Court is a very important power that our higher judiciary enjoys. The Courts as defined under the Indian Constitution shall definitely have the power to punish there contempt, but the contempt in sense shall be **(i)** if any person is interfering with the Court proceeding, **(ii)** if any person is barring any court process, etc. But the contempt proceedings cannot be used to suppress the voice and expression of the people which are guaranteed them under Article 19(a) of the Indian Constitution.



Disclaimer: This article is for informational purposes only and is intended, but not promised or guaranteed, to be correct, complete, and up-to-date. Whitespan Advisory does not warrant that the information contained in this article to be accurate or complete, and hereby disclaims any and all liability to any person for any loss or damage caused by errors or omissions, whether such errors or omissions result from negligence, accident or any other cause.

Please feel free to contact the undersigned in case you require any further information/clarification on the above article. Team

Authors:



Raghav Dhiman, Advocate
B.Com LLB from Punjabi University



Nishnat Dwivedi, Advocate
B.A LLB from Chhatrapati Shahu
Ji Maharaj University



PROCESS OF EXTENSION OF AGM (ANNUAL GENERAL MEETING)

Short Summary:

Every company other than a One Person Company shall in each year hold in addition to any other meetings, a General Meeting as its Annual General Meeting within a period of six months, from the date of closing of the financial year (mostly financial years end on 31st March and due date of AGM become 30th September).

If a Company fails to hold AGM with in due date then such company is liable for penalties u/s 99 of Companies Act, 2013 i.e. *(complying with any directions of the Tribunal, the company and every officer of the company who is in default shall be punishable with fine which may extend to one lakh rupees and in the case of a continuing default, with a further fine which may extend to five thousand rupees for every day during which such default continues).*

However, there is provision in act which give power to Registrar of Companies to extend the time period for holding of AGM maximum by 3 months. Extract given below:

The Registrar may, for any special reason, extend the time within which any annual general meeting, by a period not exceeding three months.

Process of Extension of AGM

As per Section 96(1), if a company wants to get extension for holding of AGM after due date, such company have to follow the below mentioned process:

STEP – I : Calling of Board Meeting

- Company shall call its Board Meeting as per Section 173 and Secretarial Standard I.
- Board of Directors shall discuss reason for non-possibility of holding of AGM within due date.
- Board of Directors shall pass a Board resolution for filing of application with ROC for extension of AGM and authorization of any director to sign such application.

STEP – II : Preparation of Application

Company shall prepare an application for approval of ROC for extension of AGM. Following Points to be covered in application:

- About Company: (Name, Registered office, Capital Structure etc)
- **Reason** for non-possibility of holding within due date
- Attach copy of MOA, AOA of Company



STEP – III : Preparation & filing of e-form

Company shall prepare e-form GNL-1 for filing of application with Registrar of Company. GNL-1 is required to file with ROC “Form for filing an application with Registrar of Companies”

- Mention Name of Company
- Select reason for application in point no 6
- Affix DSC of Director
- File same with ROC

After Step III, the ROC will check the facts of application and ROC shall deliberate that according to facts extension should be granted then, ROC shall give extension letter for any period maximum for three months.



Disclaimer: The entire contents of this document have been prepared based on relevant provisions and as per the information existing at the time of the preparation. Although care has been taken to ensure the accuracy, completeness and reliability of the information provided, I assume no responsibility, therefore. Users of this information are expected to refer to the relevant existing provisions of applicable Laws. The user of the information agrees that the information is not a professional advice and is subject to change without notice. I assume no responsibility for the consequences of use of such information.

IN NO EVENT SHALL I SHALL BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL OR INCIDENTAL DAMAGE RESULTING FROM, ARISING OUT OF OR IN CONNECTION WITH THE USE OF THE INFORMATION

Author

CS Divesh Goyal,
Company Secretary in Practice.
(csdiveshgoyal@gmail.com)





UDYAM REGISTRATION- FAQs

Union Ministry of Micro, Small and Medium Entities (MSME), vide its Notification Dated **26.06.2020** notifies the new definition of MSME along with its new name i.e., “**UDYAM Registration**”, and introduced a new portal named “**UDYAM Registration Portal**”.

Ministry also issued a clarification regarding new criteria for the classification of MSMEs.

Our previous articles on UDYAM Registration: --

1. Elucidation of new **UDYAM Registration**:

<https://taxguru.in/corporate-law/UDYAM-registration-new-existing-msmes-wef-01-07-2020.html>

2. Practical points of differences between new and old MSME registration:

<https://taxguru.in/company-law/practical-aspects-udyam-registration-w-e-f-01-07-2020.html>

3. Clarification on existing EM PART-II/UAM:

<https://taxguru.in/corporate-law/udyam-registration-clarification-existing-em-part-ii-uam.html>

Q.1. What is the validity of the existing EM–Part-II or UAM?

A.1. All the existing EM Part II and UAMs register till 30/06/2020 are only valid upto 31/03/2021.

If an entity does not register itself with UDYAM Portal before 31/03/2021 then after that its status shall stand suspended.



Q.2. What is the time limit of registration for existing registered (EM Part II and UAMs) entities?

A.2. As per notification dated **26/06/2020**, the time limit for registration is **01/07/2020 to 31/03/2021**.

However, the UDYAM portal has not started this service yet. And all the existing EM Part II and UAMs are valid till 31/03/2021.

Q.3. Is the re-classification of entities as per new defining criteria for the classification of MSMEs applicable to the registration of existing entities?

A.3. Yes, all entities registered till 30/06/2020 shall be re-classified following the new definition. Ministry will send a communication to entities in both scenarios whether it is **upward change (from a lower to a higher category) or reverse-graduation (sliding down to lower category)**.

Provided that re-classification is also applicable to new entities taking afresh UDYAM Registration.

Q.4. What are the consequences of Upward change due to re-classification?

A.4. An entity will maintain its prevailing status until the expiry of one year from the close of the year of registration.

Ex. If registration is done on the last date i.e. 31/03/2021 then on the upward change in prevailing status (Micro, Small or Medium), the prevailing status will be valid till the expiry of one year from the close of the year of registration i.e., 31/03/2022.



Q.5. What are the consequences of reverse-graduation due to the re-classification?

A.5. An entity will maintain its prevailing status until the closure of the financial year and it will be given the benefit of the changed status only with effect from 1st April of the financial year following the year in which such change took place.

Ex. If registration is done on the last date i.e. 31/03/2021 then on the reverse-graduation in prevailing status (Micro, Small or Medium), the benefit of the changed status will only be available with effect from 1st April of the financial year following the year in which such change took place i.e., 01/04/2022.

Q.6. Do PAN and GSTIN are mandatory for UDYAM Registration?

A.6. Ministry has given relaxation to entities that do not have a PAN or GSTIN until 31/03/2021. They can take registration on self-declaration basis upto 31/03/2021 and thereafter, PAN and GSTIN shall be mandatory.

Q.7. What is the last date available to entities not having PAN and GSTIN, who had taken UDYAM Registration on a self-declaration basis, for taking registration of PAN and GSTIN?

A.7. The last date is 31/03/2021.

The UDYAM Registration of above-mentioned entities shall be liable for suspension if before 31/03/2021, they:

- a. Does not take PAN and GSTIN registration, or
- b. Failed to update the same on UDYAM Portal on a self-declaration basis.



Q.8. Do existing entities having Udyog Aadhaar Memorandum (UAM) have to take GSTIN compulsorily irrespective of the fact that the turnover is below the limit for GST Registration?

A.8. Yes, as stated earlier GSTIN is mandatory irrespective of the fact that the entities are covered under eligible entities definitions for taking registration under GST or not.

Q.9. Whether traders will now be allowed to register under MSMEs?

A.9. As of now, traders are not allowed to take registration under MSME.

The link of the notification for the same is:

https://udyamregistration.gov.in/docs/OM_UAN_17_7_2020.pdf

Q.10. Can more than one UDYAM registration be done on the same PAN?

A.10. One can not take more than one UDYAM registration with a single PAN.

Q.11. In the earlier registration process, based on one Aadhar more than one UAM can be taken is that be same for UDYAM also?

A.11. No, under the new registration process only one UDYAM registration can be generated with single Aadhar.

Q.12. How to amend the UDYAM already taken?

A.12. An enterprise having UDYAM Registration Number can update its information online in the UDYAM Registration portal on a self-declaration basis.



Q.13. How to add a new plant or new branch of business in already taken UDYAM registration?

A.13. A new plant or new branch of business can be added by updating the UDYAM registration. An enterprise having UDYAM Registration Number can update its information online on the portal on a self-declaration basis.

Q.14. While registering for UDYAM, Turnover Field is not auto-filled in the registration form?

A.14. Information as regards to turnover for an enterprise is linked to the GSTIN No. and last year filed GST Return.

The boxes for the same are not filled at the time of submission, the amount of turnover is to be checked by the portal at back end after submission of the application.

Further, Applicant file application on a self-declaration basis who do not have filed even one return under GST can fill the details on self- declaration basis and shall file the application on or before 31.04.2021 with filed GST details.

Q.15. How many NIC codes one can add to one UDYAM registration?

A.15. Maximum 10 NIC codes can be added in one UDYAM registration.

Q.16. Can old UAM be updated?

A.16. Yes, old Udyog Aadhaar Memorandum (UAM) can be updated using the new tab available on the UDYAM registration portal. But this service is available until **31/03/2021** only.



Q.17. Whether a Wholly-Owned Subsidiary of a foreign company or Foreign Subsidiary or Multi-National Companies(MNCs) can take MSME registration in India?

A.17. Yes, any entity which is registered in India and has a place of Business in India can take MSME registration.

There is no restriction on taking MSME registration by a wholly-owned subsidiary of a foreign company or foreign subsidiary or multi-national companies(MNCs).

Please feel free to contact the undersigned in case you require any further information/clarification on the above article. Team



ACS Atul Singh

atul@whitespan.in

Mobile No. +91 – 99588-50190

www.whitespanadvisory.com

Ph: 0124 – 2204262/63



Garima Bansal

garima@whitespan.in



WHITESPAN
A d v i s o r y

WINS
WHITESPAN INFORMATION AND NEWS SERVICES

NEWSLETTER



WINS

Compliance Checklist



Compliance Calendar for September 2020

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			
30						



Income Tax Related Compliances

- Due date for deposit of Tax deducted/collected for the month of August, 2020. However, all sum deducted/collected by an office of the government shall be paid to the credit of the Central Government on the same day where tax is paid without production of an Income-tax Challan*
- Issue of TDS certificate for tax deducted under section 194-IA ,194-IB and 194M in the month of July, 2020*
- Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of August, 2020 has been paid without the production of a challan*
- Second instalment of advance tax for the assessment year 2021-22
- Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA , Section 194-IB , Section 194 M for the month of July, 2020*
- Return of income for the assessment year 2019-20 for all assessee's
The due date for filing of return of income under [section 139](#) for the assessment year 2019-20 has been extended to September 30, 2020 vide the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 read with Notification No. 35 /2020, dated 24-06-2020 and Notification No. 56/2020, dated 29-07-2020.
- Due Date for Belated Income Tax filling for AY 2019-20



FEMA Related Compliances

Reporting of actual transactions of External Commercial Borrowings (ECB) through AD Bank under FEMA

RBI Related Compliances

- Monthly return (NBS-6) on exposure to capital market
- Monthly Return on Important Financial Parameters
- Monthly statement of short term dynamic liquidity in Form ALM-I

Economic, Industrial & Labour Law Related Compliance

- Monthly payment of PF (Non-Corporate)
- File monthly return (Form No.5) for employees leaving /joining during the previous month
- File monthly Return of employees entitled for membership of Insurance Fund (Form No.2(IF))
- File monthly Return for members of Insurance Fund leaving service during the previous month (Form no. 3(IF))
- File monthly return of members joining service during the previous month (Form no.F4(PS))
- Monthly return of PF for the previous month
- Monthly return of PF for the previous month with respect to international workers
- Payment of ESI Contribution for the month of July



Companies Act Related Compliances

- Due Date for DIR-3 KYC
- Due Date for Registration of Independent Director in the Data Bank
- Last Due Date to opt Companies Fresh Start Scheme

GST Related Compliance

- GSTR 1(Monthly) for August

- GSTR3B for May 2020

- GSTR 3B for August 2020

- GSTR 3B for June 2020

- GSTR 3B for July 2020

- GSTR 1 and GSTR 3B returns from July 2017 to Jan 2020 without any Penalty



For further information please contact:

vinayshukla@whitespan.in

NCR OF DELHI
LGF, 152P, Sector 38,
Near Medanta, the Medicity,
Gurgaon 122-002
Telephone – 0124-2204242, 63

MUMBAI
506, Arcadia, 195, Nariman Point,
Mumbai – 400 023

Disclaimer:

The material and contents of this Newsletter including the Editor's quick takes, have been compiled with due care and caution before their publication and are provided only for information of clients, associates and friends without any express or implied warranty of any kind. The Newsletter does not constitute professional guidance or legal opinion. No claim is made as to the accuracy or authenticity of the contents of this Newsletter.

Readers are advised to make appropriate enquiries and seek appropriate professional advice and not take any decision based solely on the contents of this Newsletter.

In no event shall this Newsletter or Chief Editor or members of Editorial Team or Whitespan Advisory including its officers and associates, be liable for any damages whatsoever arising out of the use of or inability to use the material or contents of this newsletter or the accuracy or otherwise of such material or contents.

This newsletter is not an advertisement or any form of inducement or invitation for solicitation of any kind of work whatsoever.

This newsletter is being circulated to you as client, friend or associate of Whitespan Advisory or its officials or on your request. If at any time you wish to unsubscribe receiving this newsletter please e-mail us at vinayshukla@whitespan.in