

# Covid - 19 impacting Law in India

## Amendments Under The Companies Act, 2013 and its Regulations and Rules

Where: MCA Notification

When : March 19, 2020

What : Companies (Meetings of Board and its Powers) Rules, 2014

“From the date of notification till June 30, 2020, matters which were prohibited to be decided through video conferencing or other audio video means has been relaxed”

Where : MCA Notification

When : March 23, 2020

Read with: MCA Office Memorandum dated March 28, 2020

“Spending of CSR funds for COVID-19 and PM CARES Fund shall qualify as CSR expenditure under Companies Act, 2013”

Where : MCA Circular

When : April 8 and April 13, 2020

What : Companies (Meetings of Board and its Powers) Rules, 2014

“allowed companies to take decisions of urgent nature, which requires approval of members, through the mechanism of postal ballot/e-voting without holding general meeting which requires physical presence of members at a common venue”

Where: MCA Circular When: March 24, 2020

What: Special Measures

Where: Companies Act, 2013

**1** No additional fee shall be charged for late filing during moratorium period from April 01, 2020-September 30, 2020 in respect of any document, return or statement.

**2** The mandatory requirement of holding the Board meetings (120 days) stands extended by a period of additional 60 days i.e. till September 30, 2020.

**3** The Companies (Auditors Report) Order, 2020 shall be made applicable from FY 2020-21 instead of being applicable for FY 2019-20.

**4** Independent Directors are required to hold at least one meeting without attendance of Non-Independent Directors. For FY 2019-20, if such meeting has not been held, the same shall not be treated/ viewed as violation.

**5** Creation of Deposit repayment reserve of 20 % of deposit maturing during FY 2020-21 before 30<sup>th</sup> April, 2020 shall be allowed to be complied with till June 30, 2020.

**6** Companies are required to invest or deposit at least 15 % of amount of debentures maturing in specified method of investment or deposits before April 30, 2020 may be complied with till June 30, 2020.

**7** Newly Incorporated companies are required to file a declaration for Commencement of business within 180 days of incorporation. An Additional period of 180 days is allowed for this compliance.

**8** As per Companies Act, 2013, atleast one director should have resided in India for a period of 182 days. Non-compliance of the same for the FY 19-20 has been relaxed.

## Taxation - Direct Tax [The Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020]

**1** The last date for the belated/ revised filing of the income tax returns for the FY 2018-19 is extended from March 31, 2020 to June 30, 2020.  
Extension of Aadhar-PAN linking date to June 30, 2020.

**2** The date for making various investment/ payments for claiming deduction under Chapter-VIA-B of IT Act has been extended to June 30, 2020.

**3** The time limit for avail the Vivad Se Vishwas scheme is extended upto June 30, 2020.

**4** The date for making investment/ construction/ purchase for claiming roll over benefit/ deduction in respect of capital gains under section 54 to 54 GB of the IT Act has been extended to June 30, 2020.

**5** The date for commencement of operations for the SEZ Units for claiming deduction under deduction 10AA of the IT Act has been extended till June 30, 2020.

**6** The date for passing of order or issuance of notice by the authorities under various direct taxes & Benami law has also been extended till June 30, 2020.

**7** 9 % interest rate will be charged for non-payment of Income-Tax (Eg: advance tax, TDS, TCS), Securities Transaction Tax, Commodities Transaction Tax which are due for payment from March 29, 2020 to June 29, 2020 and if the same is paid by June 30, 2020. Further, no penalty, prosecution shall be initiated for those non-payments.

## Taxation - Indirect Tax [The Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020]

**1** Last date of furnishing of the Central Excise returns due in March, April and May, 2020 has been extended to June 30, 2020.

**2** Last date for filing of appeal, refund, applications etc. under the Customs Act, 1962 from March 20, 2020 to June 29, 2020 has been extended to June 30, 2020.

**3** Last date for filing of appeal, etc. under the Service Tax from March 20, 2020 to June 29, 2020 has been extended to June 30, 2020.

**4** Claiming deduction under section 80G of the IT Act has been extended till June 30, 2020. Also, PM CARES Fund had been included/inserted for claiming deduction from Income for FY 2019-20 under section 80G of the IT Act.

**5** All the pending income tax refunds up to 5 lakhs to be issued immediately.

**6** The order has mainly extended the timeline till June 30, 2020 for issuance of certificates for lower rate/nil deduction/collection of TDS or TCS u/s 195, 197 and 206C (9)