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I. CHART OF FORTHCOMING DUE DATES: -

a) GST

Month	GSTR -1 Monthly	GSTR -3B	GSTR-9; 9A, and 9C
December 2019	11 th	20 th	31 st

b) Others

Month	TDS Payment	ESIC Payment	P.F. Payment	Advance Tax Payment	Form MGT-7#
December 2019	7 th	15 th	15 th	15 th	30 th

Filing of Annual Return of Companies for the Financial year ended 31.03.2019 with ROC under Companies Act, 2013

II. OVERVIEW:

o COMPARISON OF RIGHTS ISSUE, PREFERENTIAL ISSUE PRIVATE PLACEMENT:

There are many ways to issue shares like Rights Issue of Shares, Private Placement of Shares, ESOP, Sweat Equity Shares, Bonus Issue, Preferential Allotment, etc. Below is the comparison between Rights issue, Preferential Allotment, Preferential Allotment:

Sr. No.	Point of Differences	Rights Issue	Private Placement	Preferential Issue
1.	Section	62(1)(a)	42	42, 62(1)(c)
2.	Type of Shares	Equity and Preference Shares	Securities	Securities
3.	Meaning	Issue made to existing shareholders in the ratio of number of shares held as on the date of the Board Meeting	Issue made to selected group of persons not exceeding 200 (excluding QIBs and Employees) in a financial year	Issue made to selected group of persons not exceeding 200 either for Cash or for Consideration other than Cash
4.	Persons to whom allotment can be made	Existing Equity Shareholders	Security holders whose names are recorded by the Company prior to invitation to subscribe	May be offered to any persons (if authorized by a Special Resolution)
5.	Issue Price	Can be at Face Value	Not more than Valuation made	Not more than Valuation made
6.	Valuation Certificate	Required from Practicing CA	Required from Registered Valuer	Required from Registered Valuer
7.	Approving Authority	Board Approval	Shareholder approval by Special Resolution	Shareholder approval by Special Resolution
8.	Right of Renunciation	Available	Not Available	Not Available
9.	Forms to be filed	PAS-3 - Return of Allotment	a. PAS-4 - Private Placement Offer Letter	a. PAS-4 - Private Placement Offer Letter

			<p>b. PAS-5 - Record of Private Placement offer</p> <p>c. MGT-14 - Filing of Special Resolution</p> <p>d. PAS-3- Return of Allotment</p>	<p>b. PAS-5 - Record of Private Placement offer</p> <p>c. MGT-14 - Filing of Special Resolution</p> <p>d. PAS-3- Return of Allotment</p>
10	Bank Account	Not required to open separate Bank Account	Required to open separate Bank Account	Required to open separate Bank Account
11.	Utilization of Money	No Restriction	Cannot utilize unless shares are allotted	Cannot utilize unless shares are allotted
12.	Penal Provisions	<p><u>Section 450:</u> The Company and every officer in default be punishable with a fine which may extend to Rs. 10,000/- and Rs. 1,000/- per day if it is a continuing contravention</p>	<p><u>Failure to file return</u> Company, Promoters and Directors liable for penalty of Rs. 1,000/- per day during the default but not exceeding Rs. 25 Lakhs</p> <p><u>Any other contravention:</u> Company, Promoters and Directors liable for penalty which may extend to amount raised through Private Placement or Rs. 2 Crores, whichever is lower and Company also to refund the monies</p>	

III. INCOME TAX

o PAYMENT OF TDS FOR PROFESSIONALS, BROKERAGE, COMMISSION:

The Central Board of Direct Taxes (CBDT) vide notification dated 18th November, 2019 introduced the Income Tax (14th Amendment) Rules, 2019 vide this notification, Form No 26QD is been introduced for the payment of Tax Deduction at Source (TDS) under Section 194M of the Income Tax Act, 1961.

SECTION 194M - TDS on Payments made to Contractors and Professionals:

The Section 194M was introduced in the Union Budget and made effective from 1st September, 2019.

As per the provisions of this Section :

- Individuals / HUFs making payments made to Contractors/ Professionals
- Exceeding Rs. 50 Lakh in aggregate
- Will be required to deduct TDS @ 5%

THE 14TH AMENDMENT RULES:

As per the 14th Amendment Rules notified by the CBDT, the rules regarding time limit to deposit TDS with the Central Government and time limit for issuing TDS Certificate is introduced.

WHAT IS FORM 26QD?	{	• It is a common challan cum return form to be filled in case of deduction of TDS under Section 194M
APPLICABILITY	{	• Individuals and HUFs whose accounts are not required to be audited for tax purposes
TIME LIMIT FOR PAYMENT OF TDS	{	• Any sum deducted under section 194M shall be paid to the credit of the Central Government <i>within a period of 30 Days</i> from the end of the month in which the deduction is made and shall be accompanied by a challan-cum statement in Form No. 26QD
CERTIFICATE OF DEDUCTION OF TAX AT SOURCE	{	Certificate of deduction of Tax at Source in Form 16D shall be furnished by every person responsible for deduction of tax at source to the Payee <i>within 15 Days</i> from the due date of furnishing the Challan in Form 26QD

IV. RBI:

o RELAXATION IN TRANSACTIONS THROUGH SNRR (SPECIAL NON-RESIDENT RUPEE) ACCOUNT :

The Reserve Bank of India vide notification dated 13th November, 2019 introduced the Foreign Exchange Management (Deposit) (Third Amendment) Regulations, 2019.

WHAT IS SNRR ACCOUNT?

- Can be opened with an authorized dealer,
- By any person resident outside India,
- Having a business interest in India
- For the purpose of putting through bona fide transactions in rupees.

FEATURES OF SNRR ACCOUNT:

- Carry nomenclature of the **specific business** for which it is opened
- Non-Interest earning
- Debits / Credits and the balance in the account should be **incidental with the business operations**.
- Authorized dealer to **ensure all operations in the account are in accordance with the provisions of the Act**.
- Tenure should be concurrent to the tenure of the contract / period of operation / business of the account holder, up to maximum of 7 years
- The Account holder not to use the SNRR account to make available foreign exchange to any person resident in India against reimbursement in Rupees or in any other manner.
- Balances in the account **can be repatriated** outside India.
- Transfer from any NRO account to SNRR account not permitted.
- All transactions to be subject to applicable taxes in India
- May be designated as “Resident Rupee” Account on the Account holder becoming a resident.
- The amount due/ payable to non-resident nominee from the account of a deceased account holder, shall be credited to NRO account of the nominee with an authorised dealer/ authorised bank in India
- Opening of SNRR accounts by Pakistan and Bangladesh nationals and entities incorporated in Pakistan and Bangladesh requires prior approval of Reserve Bank

AMENDMENTS TO THE FEATURES OF SNRR ACCOUNT:

Business Interest to include:

- Investments made in accordance with Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 & Foreign Exchange Management (Debt Instruments) Regulations, 2019
- Import of Goods / services in accordance with Section 5 of the Foreign Exchange Management Act, 1999
- Export of Goods / Services in accordance with Section 7 of the Foreign Exchange Management Act, 1999
- Trade Credit transactions and lending under External Commercial Borrowings (ECB) framework in accordance with Foreign Exchange Management (Borrowing and Lending) Regulations, 2018.
- Business related transactions outside International Financial Service Centre (IFSC) by IFSC units under GIFT city like administrative expenses in INR amount from sale of scrap, government incentives in INR, etc. The account will be maintained with Bank in India (outside IFSC)

Option to Indian Bank to either maintain separate Bank Account for each category of transactions OR single SNRR Account for person resident outside India engaged in multiple categories of transactions.

The restriction on tenure of 7 years not to be applicable to account maintained for Business interests mentioned in the amendment notification.

Payments to be made to non-resident nominee of the deceased account holder shall be credited to the NRO / NRE account of the nominee or by remittance through normal Banking channels.

V. GOODS & SERVICE TAX

o E-INVOICING UNDER GST:

The GST Council has proposed to introduce e-invoicing for B2B (Business to Business Transactions) from 1st January, 2020

➤ **What is E-Invoicing?**

'E-invoicing' or 'electronic invoicing' is a system in which B2B invoices are authenticated electronically by GSTN for further use on the common GST portal

➤ **Implementation of E-Invoicing:**

While no exact date has been provided yet, electronic invoicing is proposed to be implemented from 1st January 2020. It will be implemented in a phased manner by GSTN.

➤ **Direct Invoice Generation on IRP (Invoice Registration Portal)**

- Invoices will continue to be generated using an Accounting or a billing software, keeping in view the varied need of item master, buyer master, UQC etc. along with sub-second response from IR Portal (IRP).
- Small taxpayers can use one of the eight free accounting/billing software currently listed by GSTN. Also, GSTN will provide Offline Tool where data of an invoice, generated on paper can be entered which in turn will create JSON file for uploading on the IRP.

➤ **Advantages for Small Businesses**

- Seamless filing of returns by avoiding duplication of data entry and reconciliation problems
- Auto-generation of e-Way bills using e-invoice data
- Expediting invoice delivery time
- Doing away with shipping / couriering of invoice to the buyer, saving cost and time
- Complying with GST requirements and getting the benefits thereof in a trouble-free manner.

➤ **Simplified Process:**

o **Standard Template**

The invoice should be generated in a particular template in JSON format. The GST invoice in a standard template and a unique invoice reference number (IRN), based on

the enterprise's GST registration number, will be generated through a GST Network created exclusively for e-Invoicing.

- Request for Invoice
The government nominated registrar, the Invoice Registration Portal (IRP) of GST, will issue the e-Invoice after receiving and verifying invoice requests sent by the business. This request can be sent through SMS, mobile app, web, offline tool, an application program interface (API) or specified online tools.
 - Generation of e-Invoice:
IRP generates the invoice reference number (IRN), digitally signs the invoice and creates a QR code in Output JSON for the supplier.
 - Post generation of Invoice
 - a. After the e-Invoice is generated by the registrar, it is sent back to the supplier and a copy is also sent to the buyer in whose name the invoice is made.
 - b. In the GST portal, the supplier's tax invoice will be updated and also reflected in the newly proposed return formats proposed.
 - The e-Invoice form will have provision for both mandatory and optional items. The request will be accepted in the GST system only if the mandatory items are filled. The optional items are to be used by businesses to suit their individual requirements.
 - The e-Invoice generated can also be cancelled by supplier within 24 hours after it is issued. However, the supplier can cancel it manually on the GST portal before filing returns.
- Aid in Curbing Tax evasion:
- Tax authorities will have access to transactions as they take place in real-time since the e-invoice will have to be compulsorily generated through the GST portal.
 - There will be less scope for the manipulation of invoices since the invoice gets generated prior to carrying out a transaction.
 - It will reduce the chances of fake GST invoices and the only genuine input tax credit can be claimed as all invoices need to be generated through the GST portal. Since the input credit can be matched with output tax details, it becomes easier for GSTN to track fake tax credit claims.

o **BLOCKING AND UNBLOCKING OF EWB:**

Blocking/unblocking of EWB generation facility has been implemented on EWB Portal from 2nd December, 2019

Meaning:

The blocking of E Way Bill generation facility means disabling taxpayer from generating E Way Bill (EWB), in case of non-filing of 2 or more consecutive GSTR 3B Return on GST Portal.

For GSTINs whose EWB generation facility is blocked, EWB can't be generated either by the taxpayer or by their counterparty (whether as supplier or recipient) or the transporter.

Effect on already generated E-Way Bill:

In case of blocked GSTINs, EWBs already generated and facilities in respect of these EWBs such as updating the vehicle or transporter details or extending the validity of EWB will not be impacted.

Unblocking of EWB generation facility:

It will be automatically unblocked in the event of filing of their GSTR 3B return for the default period(s)

o **Immediate updation of Status at EWB Portal:**

For immediate updation of the status the taxpayer can go to the EWB portal and select the option "Search Update Block Status", enter their GSTIN and use Update Option to get themselves unblocked on GST portal, provided GSTR-3B return has already been filed for the default period(s).

Effect on Transporter registered on EWB Portal:

The transporters registered on GST Portal, if blocked on non-filing of two or more GSTR 3B returns, cannot use their GSTIN as Consignor, Consignee or transporter to generate EWB and update transporter details.

Thanking you,

Yours faithfully,

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