



ASSOCIATION OF CHARTERED ACCOUNTANTS, CHENNAI

Regd. Office : Om Sai Towers, First Floor,
Old No.50, New No.95, Choolai High Road, Choolai, Chennai – 600 112.

Monday, 15 June 2020

To

Smt. Nirmala Sitharaman,
Hon'ble Finance Minister,
Ministry of Finance,
North Block,
New Delhi 110 001.

Hon'ble Madam,

Sub. : Extension of Statutory due dates & Prayer for Relief in GST Laws – regarding.

1. Association of Chartered Accountants, Chennai (ACA), established on April 1, 2003, is a non-profit organisation of Chartered Accountants from Chennai. Many of members of the association do appear before various authorities as well as at the appellate forums. The main objective of our association is to educate members and students of the profession, with our motto "Share Knowledge – Spread Light". One of the object is also to act as channel between the stakeholders and the concerned statutory regulatory bodies of the Government by conveying and helping in resolving the grievance or effective implementation of the Law. The association is actively involved in imparting knowledge to various sects of public and its member.

2. The Government has taken dynamic steps in stemming the spread of the Coronavirus including complete lockdown of the entire country. Presently, due to the risk of Covid-19 and lockdown thereto, most of the business establishments are either virtually shut or working with lower capacity.

3. The Government also came out with "The Taxation and Other Laws (Relaxation of certain provisions) Ordinance, 2020", followed by the notifications in various Act(s). The said extension was made with the first lockdown in sight. However, the lockdown has got extended and will, if at all get over, it will be on 30th June, 2020 in the State of Tamil Nadu, with further lingering extension, whereby major period of extension will lapse.

Page 1 of 4



ASSOCIATION OF CHARTERED ACCOUNTANTS, CHENNAI

Regd. Office : Om Sai Towers, First Floor,
Old No.50, New No.95, Choolai High Road, Choolai, Chennai – 600 112.

Sr. No.	Issue in brief	Background of the Issue	Suggestions
1	Need to further extend the due dates for filing various returns	The entire country is in the lockdown condition either partial or in full lockdown, and in some States the lockdown is still continuing. Hence, the Governments in consultation with the GST Council may kindly consider the further extension of the due dates that are currently prescribed through various Notifications issued in the month of April 2020	The due dates for filing returns may be extended as follows for all taxpayers: <ul style="list-style-type: none">• GSTR-3B for the month of March 2020: 31st July 2020• GSTR-1 for the month of March 2020 and for the quarter January to March 2020: 31st July 2020• GSTR-3B for the months of April, May and June 2020: 31st August 2020• GSTR-1 for the months of April, May and June 2020 and for the quarter April to June 2020: 15th August 2020• GSTR-1 for July 2020: 30th September 2020
2	MSME sectors are severely affected by COVID-19. The MSME sector passing through an unexpectedly difficult period where almost all kind of commercial activities have become stand still.	MSME sectors contributing to the GDP growth in a substantial manner and also in employment. It is one of the most affected sector.	It is suggested that all those who are falling in the category of Micro Small & Medium Enterprises as per the latest definition, with outward supply value as the Criteria, may kindly be permitted to file Quarterly Returns instead of monthly returns w.e.f 1 st April 2020



ASSOCIATION OF CHARTERED ACCOUNTANTS, CHENNAI

Regd. Office : Om Sai Towers, First Floor,

Old No.50, New No.95, Choolai High Road, Choolai, Chennai – 600 112.

3	A Registered person may under intimation subject to certain conditions sent any inputs or capital goods without payment of tax to a job worker for job work	A Registered person, (Principal) sent the goods to the Job worker for a job work and also capital goods for job work. The principal should bring back the input/ capital goods after completion of Job work within one year or three years.	It is suggested that this time limit be extended by a further period of 6 months without the registered persons approaching the Commissioner.
4	Time limit for reversal of Input Tax Credit in case of non-payment of consideration	Presently, there is a requirement of reversing the Input Tax Credit on any inward supply of goods, services or both, whenever the recipient of goods/services fails to pay to the supplier within 180 days from the date of issue of the invoices.	1. We request that this provision itself is suspended temporarily, due to severe cash crunch being faced by recipients. 2. In case the recipients have already reversed the ITC, the corresponding interest may be waived and they may be allowed to claim back the ITC.
5	Time limit for claiming Input Tax Credit	As per the provisions of the GST Act there is restriction of time limit for claiming the Input Tax Credit. It has to be claimed within six months from the end of the Financial Year (due date for filing return for September or due date of annual return whichever is earlier).	We request that the time limit for availing of Input Tax Credit may kindly be relaxed by allowing the claim of Input Tax Credit by the due date of filing Annual Return for the relevant Financial Year.
6	Restricting the claim of Input Tax Credit to the extent of GSTR 2A	As per the provisions of the Rule 36(4), Input Tax Credit availed by a registered person in respect of invoices or debit note which have not been uploaded by a supplier shall not exceed the 10% of the eligible credit which have been uploaded by the supplier	Provisions of section restricting the claim of Input Tax Credit to the extent of GSTR 2A may kindly be relaxed till 31 st March 2021.



ASSOCIATION OF CHARTERED ACCOUNTANTS, CHENNAI

Regd. Office : Om Sai Towers, First Floor,

Old No.50, New No.95, Choolai High Road, Choolai, Chennai – 600 112.

7	Expediency in Grant of Refund during the lockdown period	Even during the period of lockdown, various taxable persons, had applied for refund of accumulated input tax credit balances.	In view of lockdown and the difficulties in cash flow faced by businesses, it is requested that the 90% provisional refund as envisaged in the GST law be released immediately to all such taxable persons. Further, it is requested that instructions should be given to the field formations to not to insist on matching of input tax credit in view of the current pandemic where relaxation in filing of GSTR 1 has been granted to the taxable persons.
8.	TDS Provision	During the lockdown, the business units are facing working capital issues.	The TDS Returns are not filed on time and it gives stress to working capital of business unit. Hence, the TDS provision under the GST regime could be suspended for time-being.
9.	Real Estate Sector	The Real Estate Sector is very badly affected.	Some relief should be granted to Real Estate Sector in terms of Input Tax Credit or rates rationalisation or a Direct benefit scheme could be launched to give direct benefit to buyer of Real Estate.

We have listed some of the issue however there many such compliance requirements under GST laws. We humbly request to consider the above in order to remove the genuine hardship faced by assesseees at large in these trying times. It will not only give business units time to stabilise but also give them confidence to rebuild the business especially the MSME Sector. Given an opportunity, we would be happy to give detailed presentation / inputs with regard to the above to your honour.

Thanking you,

Yours truly,

Chairman – Representation Committee

Page 4 of 4