

Newsletter - October, 2020



OCTOBER, 2020

Dear Readers,

A blur of activities has taken over from a relatively 'relaxed' lockdown, for most of us. We have adjusted to the new normal in varying degrees. It is common for people to ask each other if they are operating from their offices or is it still 'WFH' and also there are those that are discussing their latest escapes as a lot of people have started traveling again.

We wish you a belated Happy Dussehra and an early Happy Diwali. Most people are waiting for this year to end and one 'new year' is around the corner with Diwali.

Something that most of us have been perplexed with, is how the economy and the stock market seem to be moving in different directions. However, it is important for us to also realize that even within the economy, there are segments that are doing extremely well while some segments continue to suffer. This is the K shaped economy, meaning that some segments are growing, like the upward slope of the top half of the K, while others are de-growing like the bottom half.

The K shaped economy highlights that there is a need for people to keep looking for opportunities as there are definitely a number of segments that have green shoots. Reflecting this reality, in Mumbai, a couple of very old and respectable retailers of clothes have pivoted to selling groceries. While a lot of people were surprised, the courage of the entrepreneurs to take tough decisions is really commendable.

We are now approaching the US Presidential elections time and there is a strong possibility of a change of command, based on polls. That along with a new wave of rising infections in Europe along with a partial shut down on activities means that we need to be more vigilant than less over the next few months as business and markets could go through further upheavals.

Stay safe, Stay Healthy and Enjoy the Festivities with your family.

Regards,

Dinesh D. Ghalla

DIRECT TAX

EXTENSION OF TIME LIMITS IN FILING AUDIT REPORTS AND INCOME TAX RETURNS.

With the pandemic of COVID-19 still prevailing the Government of India has taken a step forward to grant relief to taxpayers by extending the dues dates for filing returns and audit reports under Income Tax Act, 1961 for the FY 2019-20.

To know more in detail, please [click here](#).

INDIRECT TAX (GST)

IS INTEREST CONSIDERED FOR THRESHOLD LIMIT UNDER GST?

Recently, the Authority for Advance Ruling (AAR), Gujarat in case of Shri Sawai Manoharlal Rathi has held that interest received from PPF, personal loans and advances to family members, Interest on Saving Bank account would be considered for the purpose of calculating the threshold limit of Rs.20.00 Lakh for registration under the GST Law. This ruling has created a confusion, chaos & debate among the trade and professionals.

To know more please [click here](#).

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