



konnnect

VOLUME 3 APRIL 2021



★ ★ ★
**BUDGET 2021
ROLL OUT**
Chapter Refresh
★ ★ ★

★ ★ ★
FCRA
Hand Guide
★ ★ ★

THERE IS HOPE AFTER DESPAIR AND MANY SUNS AFTER DARKNESS



It gives us great pleasure and pride in sharing with you the most recent edition of **PAH KONNECT**.

PAH KONNECT has always strived hard to provide up to date information on economic developments that are of interest to you with being **RELENTLESS!**

Here **PAH KONNECT** takes an opportunity to refresh the Budgetary Highlights of AtmaNirbhar Bharat capturing incisive insights on the Union Budget 20-21. This provides you a sneak peek in to the progressive measures that will definitely have a far reaching impact on creating a conducive eco system for business and help address some legacy issues.

A ready reckoner of FCRA act has come to light, to have a grasp on the wider political and economic implications on charitable institutions with the intent to enlighten the increasing regulatory pressures and the ever morphing restrictions on the foreign contributions.

PAH KONNECT is herewith hot topics that are revolutionizing the financial market and changing the way business operate, whilst providing you with the tools needed not only to keep up with the advancements but also to lead and initiate.

As we battle the economic impact of the pandemic we need your support even more so that we can continue to offer you more quality content. Keep your eyes peeled, inside is regenerating!



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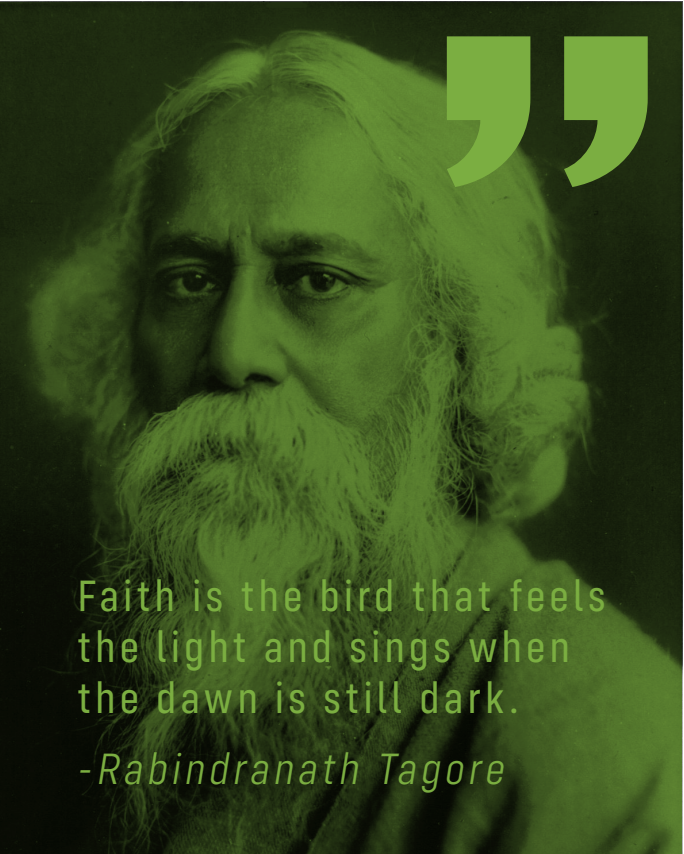
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BUDGET 2021 ROLL OUT

Chapter Refresh

Now, just as it had happened after the two World Wars, there are signs that in the post COVID, world is changing. This moment in history is the dawn of a new era - one in which India is well-poised to truly be the land of promise and hope.



Faith is the bird that feels the light and sings when the dawn is still dark.
-Rabindranath Tagore

SECTORAL OVERVIEW





HOLISTIC APPROACH TO HEALTH

PM AatmaNirbhar Swasth Bharat Yojana, will be launched over 6 years, proposing:

a. Setting Up of:

Integrated public health labs in all districts and 3382 block public health units in 11 states.

Critical care hospital blocks in 602 districts and 12 central institutions.

Strengthening of the National Centre for Disease Control (NCDC), its 5 regional branches and 20 metropolitan health surveillance units.

Expansion of the Integrated Health Information Portal to all States/UTs to connect all public health labs.

Operationalisation of 17 new Public Health Units and strengthening of 33 existing Public Health Units at Points of Entry, that is at 32 Airports, 11 Seaports and 7 land crossings.

15 Health Emergency Operation Centers and 2 mobile hospitals.

A national institution for one Health, a Regional Research Platform for WHO South East Asia Region, 9 Bio-Safety Level III laboratories and 4 regional National Institutes for Virology.

2

PHYSICAL & FINANCIAL CAPITAL AND INFRASTRUCTURE

a. Textiles

To create a world class infrastructure with plug and play facilities.

7 textile parks will be established over 3 years.

Mega Investment Textiles Park (MITRA)

b. Infrastructure

ROADS AND HIGHWAYS INFRASTRUCTURE

Highway and road works in Kerala, Tamil Nadu, West Bengal and Assam.

Installation of Advanced traffic management system.

RAILWAY INFRASTRUCTURE

Vista Dome LHB coach on tourist routes.

Automatic train protection system.

100% Electrification of Broad Gauge Routes by 2023.

POWER INFRASTRUCTURE

National Energy Hydrogen Mission to be launched.

Revamped reforms-based result-linked power distribution sector scheme to be launched.

PORTS, SHIPPING, WATERWAYS



PETROLEUM & NATURAL GAS



URBAN DEVELOPMENT



c. Financial Reforms

SINGLE SECURITIES MARKET CODE

Consolidating SEBI Act-1992, Depositories Act-1996, Securities Contracts (Regulation) Act 1956 and Government Securities Act-2007.

FINTECH HUB

World class Fintech hub at GIFT IFSC.

INSTITUTIONAL FRAME WORK

Permenant institutional framework for corporate bond market.

INVESTOR CHARTER

As a right accross all products

FDI- INSURANCE SECTOR

Increase the permissible FDI limit from 49% to 74% with safeguards.

DISINVESTMENT AND STRATEGIC SALE

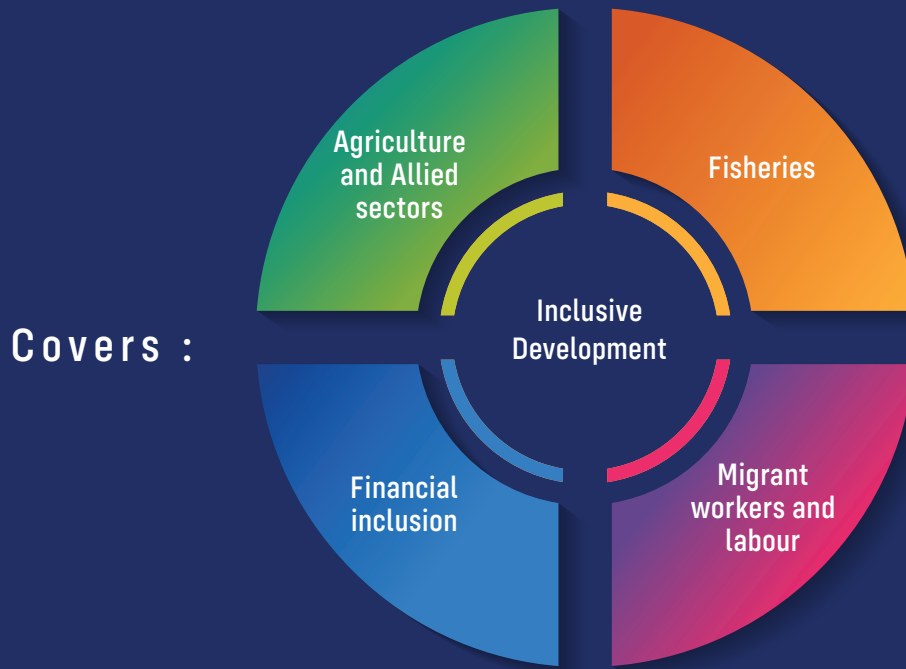
New policy for strategic disinvestment approved.

SPECIAL PURPOSE VEHICLE

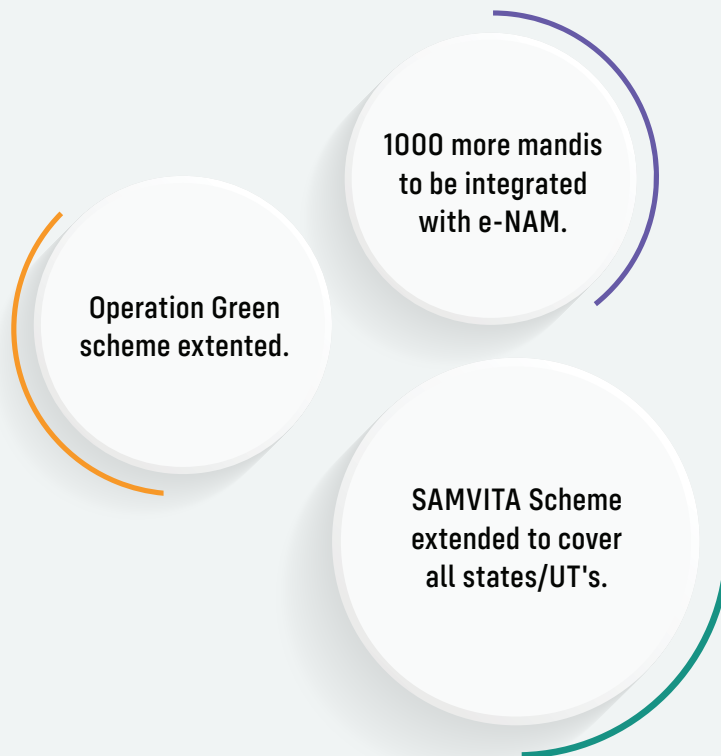
In the form of a company to monetize the idle land

3

INCLUSIVE DEVELOPMENT FOR ASPIRATIONAL INDIA



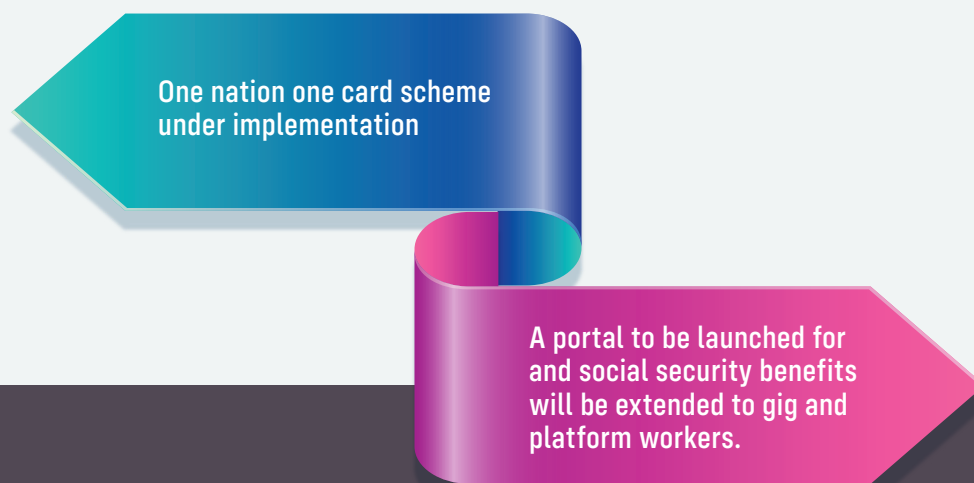
a. Agriculture



b. Fisheries



c. Migrant Workers



d. Financial Inclusion

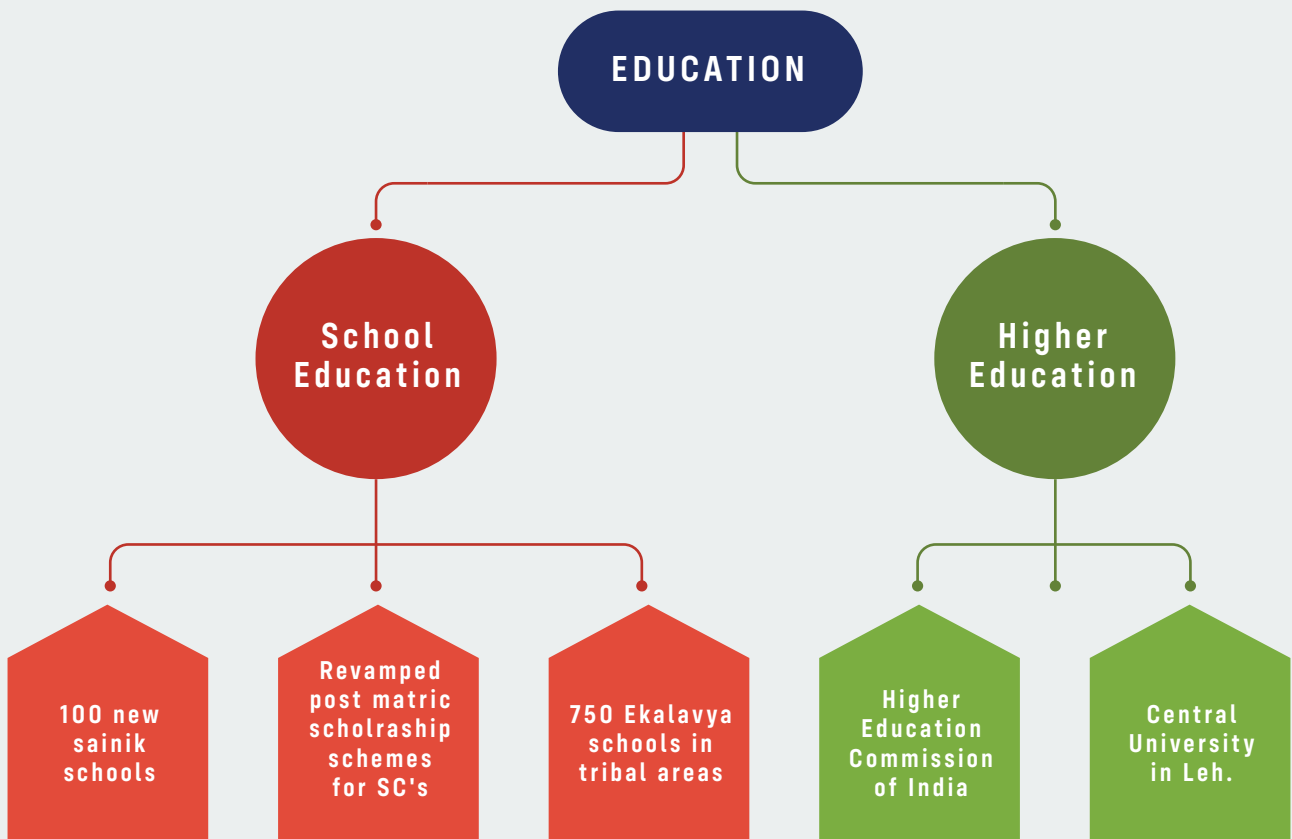


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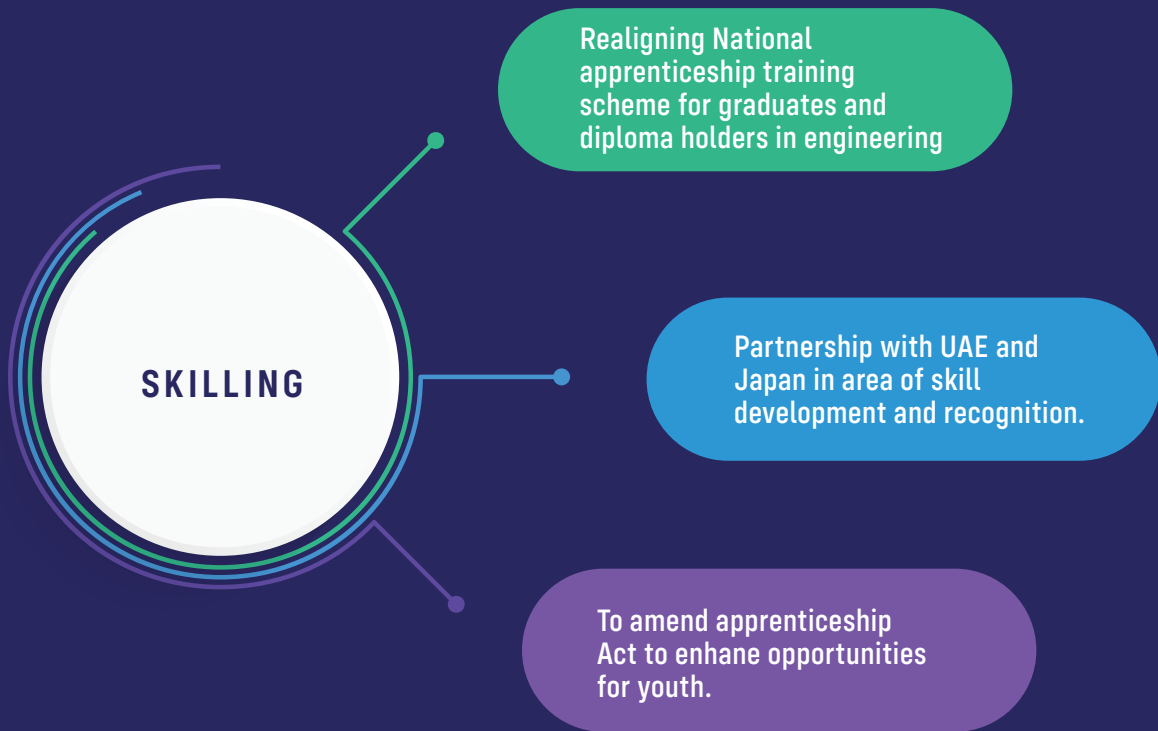
REINVIGORATING HUMAN CAPITAL



a. Education



b. Skilling



c. Employment



5

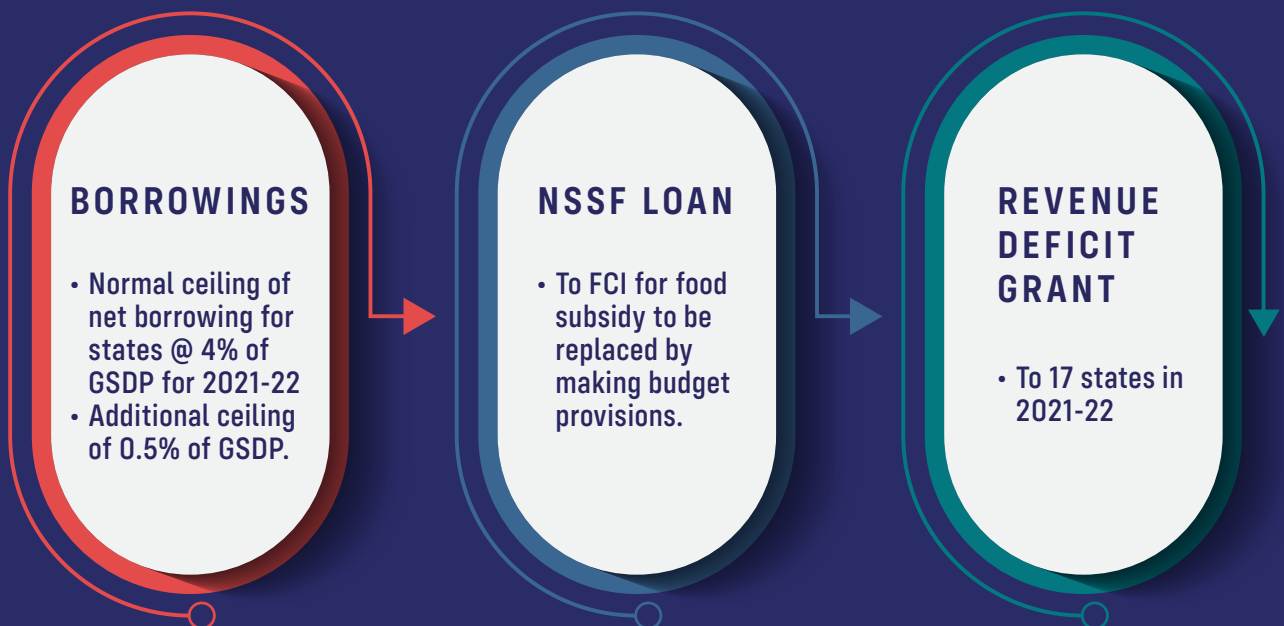
RESEARCH AND DEVELOPMENT



6

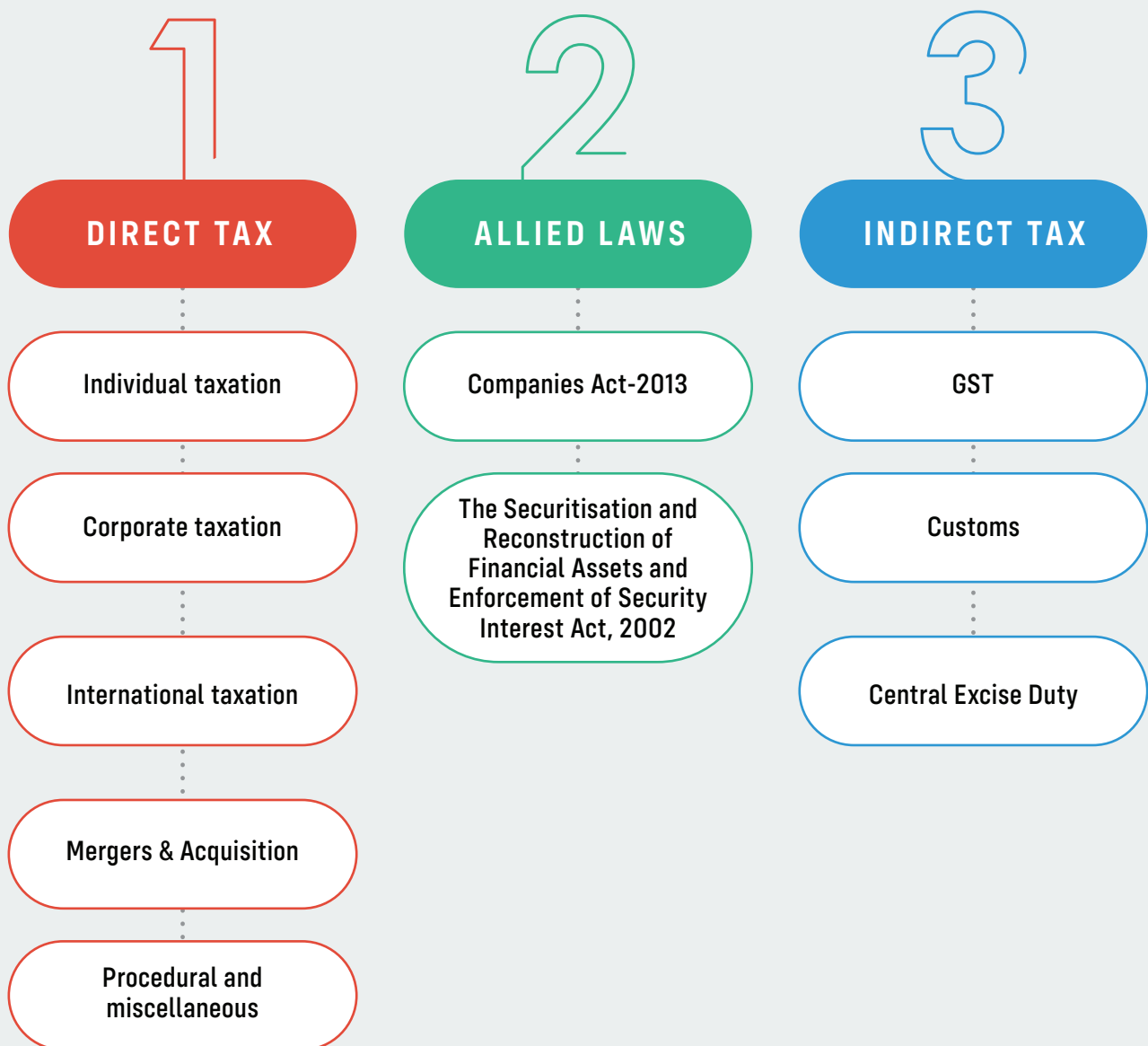
MINIMUM GOVERNMENT MAXIMUM GOVERNANCE

Fiscal Position



LESS IS MORE

KEY TAX PROPOSALS





KEY DIRECT TAX PROPOSALS

a. Individual Taxation

**NO CHANGE
IN TAX RATES**

I. Relief to Resident Senior Citizens

Attained age
of 75 years.

No income other
than pension and
bank interest and
applicable TDS is
deducted.

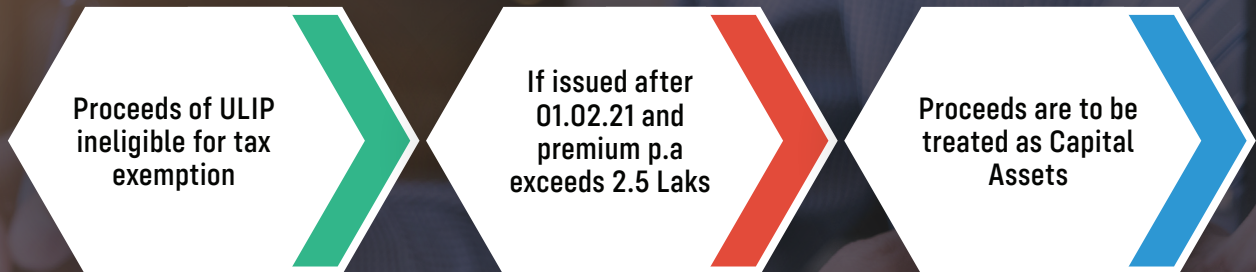
Not required
to file ITR .

II. Salaried Individuals

Tax exemption for cash allowance in lieu of LTC up to Rs.
36,000 for FY 20 21 subject to conditions.

PF interest attributable to employees contribution in excess
of 2.5 Lakhs, Taxable.

III. Taxation of ULIP's



b. Corporate Taxation

**NO CHANGE
IN TAX RATES**



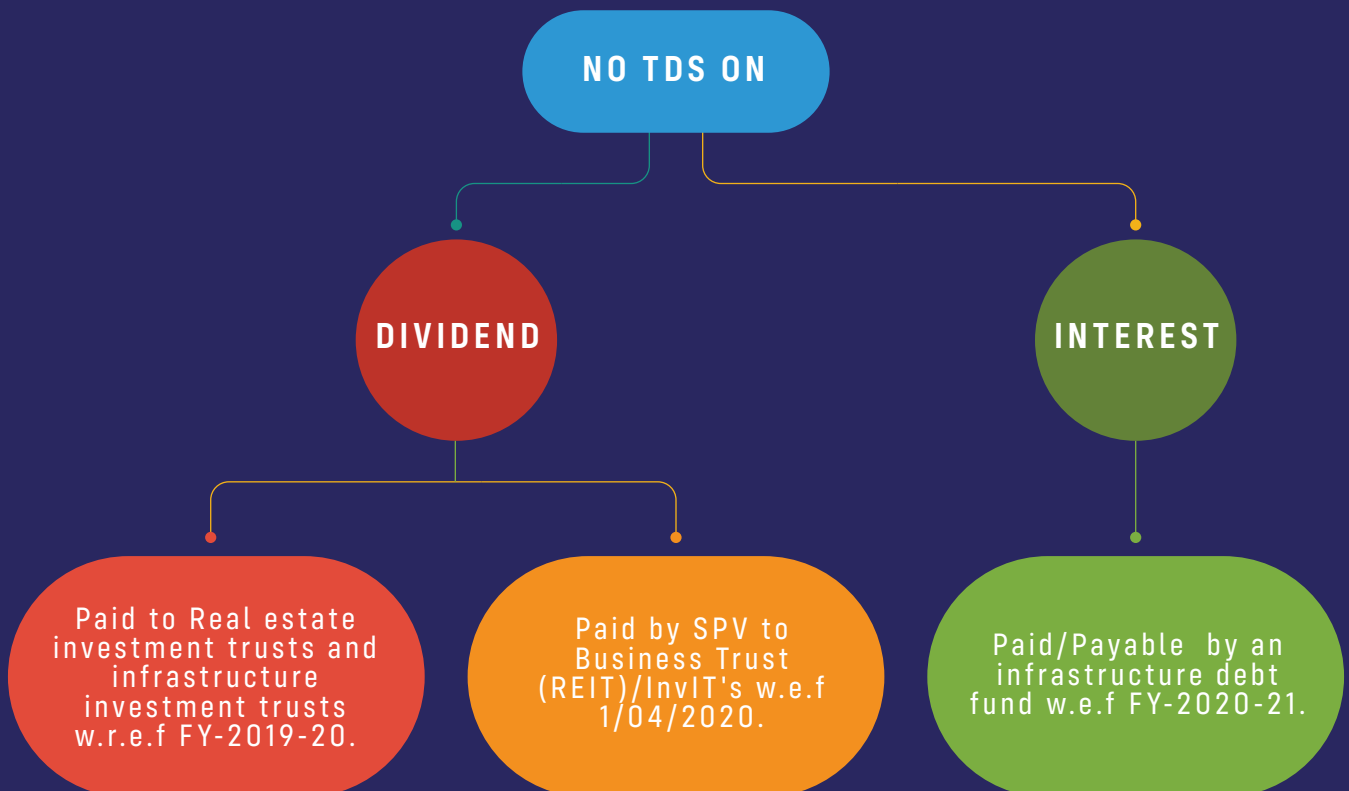
I. Tax Audit

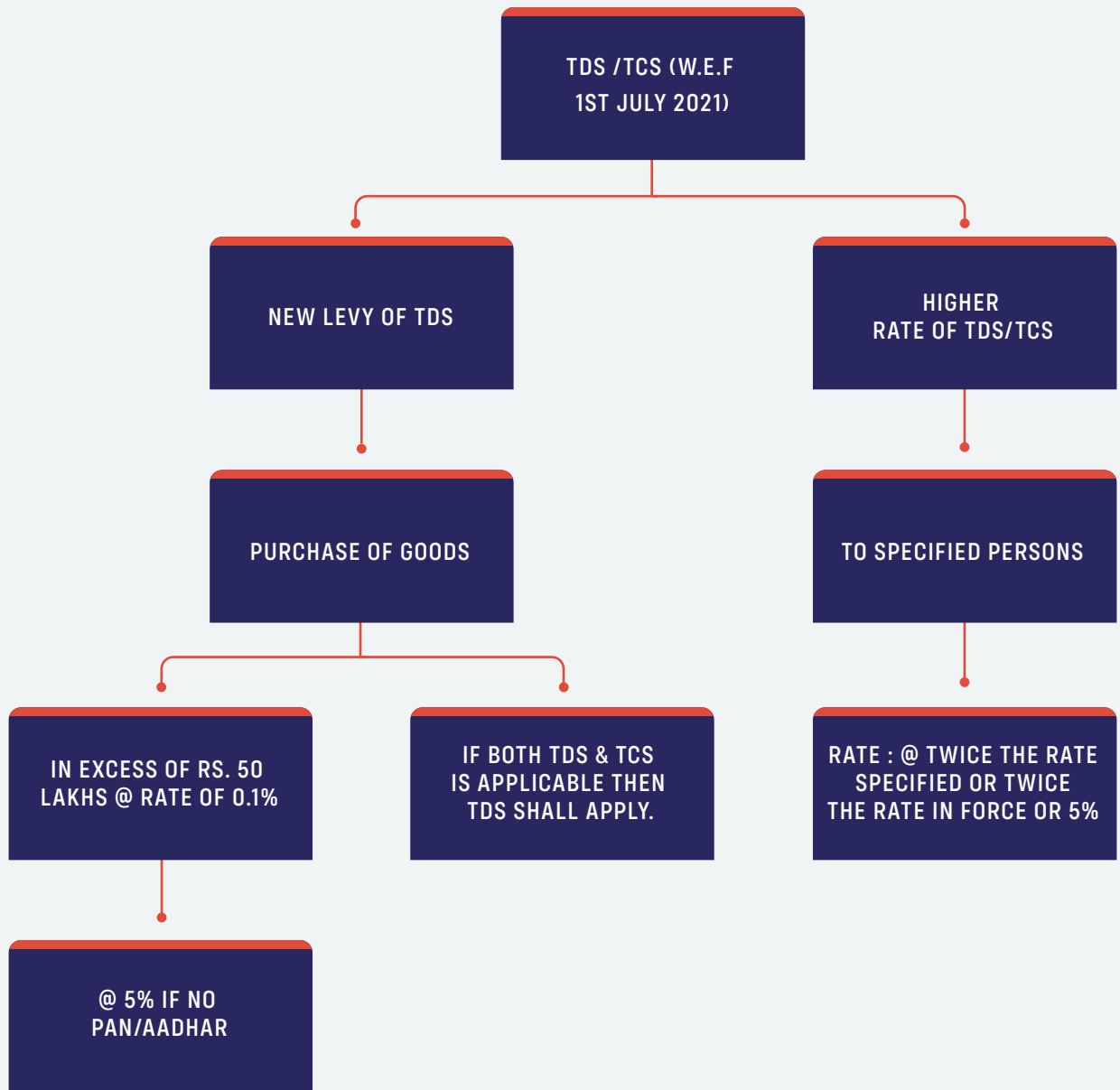
Threshold limit proposed to be increased

From Rs. 5 cr to 10Cr

If 95 % transactions are digital.

II. TDS , TCS and Advance Tax



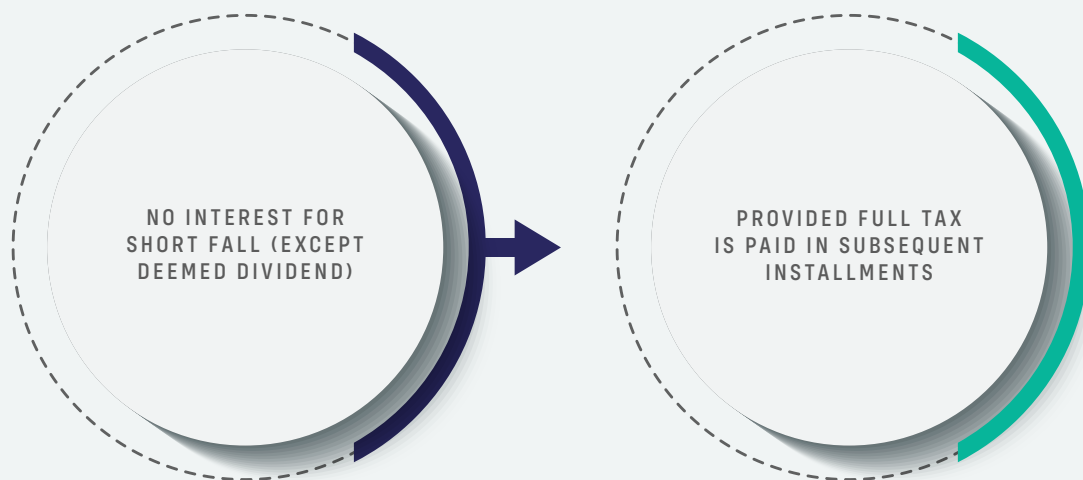


TCS on sale of goods effectively replaced with TDS on purchase of goods

Specified person:



Advance Tax on Dividend Income:



III. Tax Incentives/Holidays

Proposed to be extended by 1 year up to
31/03/2022:

**CAPITAL GAIN EXEMPTION IF INVESTED IN THE EQUITY
SHARES OF A 'START UP'**

**TAX HOLIDAYS FOR STARTUPS'S INCORPORATED
UP TO 31-03-22.**

**100% TAX HOLIDAY FOR PROFITS FROM
AFFORDABLE HOUSING PROJECTS**

**DEADLINE FOR THE APPROVAL OF
AFFORDABLE HOUSING PROJECTS FOR TAX HOLIDAYS.**

**ADDITIONAL DEDUCTION FOR FIRST TIME HOME
BUYERS OF RS.1.5 LAKH ON INTEREST ON
HOUSING LOAN U/S 80EEA.**

IV. Other Key Proposals

Increase in safe harbour limit on sale of residential units

EXISTING

PROPOSED

IN THE HANDS OF REAL ESTATE DEVELOPERS AND BUYERS

IN THE HANDS OF REAL ESTATE DEVELOPERS AND BUYERS

IF STAMP DUTY VALUE (SDV) EXCEEDS 110% OF (ACTUAL SALE CONSIDERATION) ASC,

IF STAMP DUTY VALUE (SDV) EXCEEDS 120% OF (ACTUAL SALE CONSIDERATION) ASC,

DIFFERENCE BETWEEN SDV AND ASC IS TAXABLE

DIFFERENCE BETWEEN SDV AND ASC IS TAXABLE

CONDITIONS ON TRANSFER:



TRANSFER OF CAPITAL ASSET ON DISSOLUTION/RECONSTITUTION:

Capital gain in the hands of firm/AOP/BOI/ is now subject to the following proposals



EPF ESI

EMPLOYEE'S CONTRIBUTION TO WELFARE FUNDS TO BE DEPOSITED BEFORE THE DUE DATE PROVIDED UNDER LAW FOR CLAIMING DEDUCTION

DEDUCTION FOR SUCH CONTRIBUTION WILL NOT BE AVAILABLE ON A PAYMENT BASIS.

REVISION OF TIME LIMITS FOR:

BELATED/REVISED RETURN



- To be reduced by 3 months.
Can be filed within 9 months from the end of the AY or completion of assessment whichever is earlier.

ISSUING SCRUTINY NOTICES



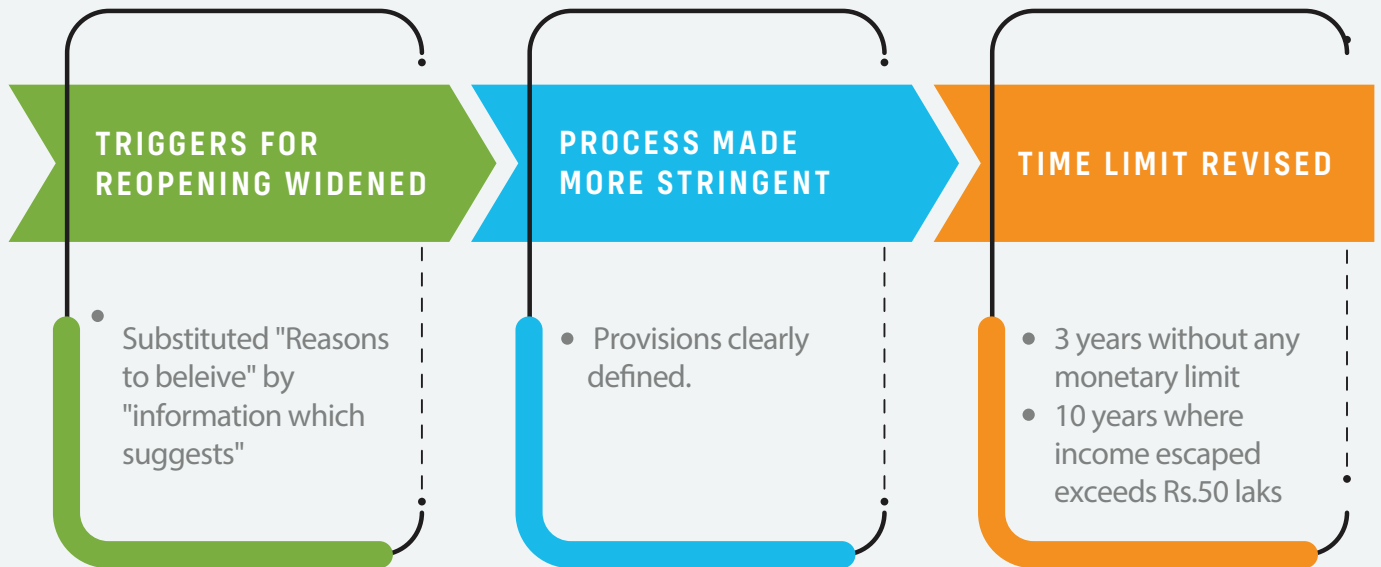
- To be reduced from 6 months to 3 months from the end of relevant AY.

COMPLETION OF ASSESSMENT

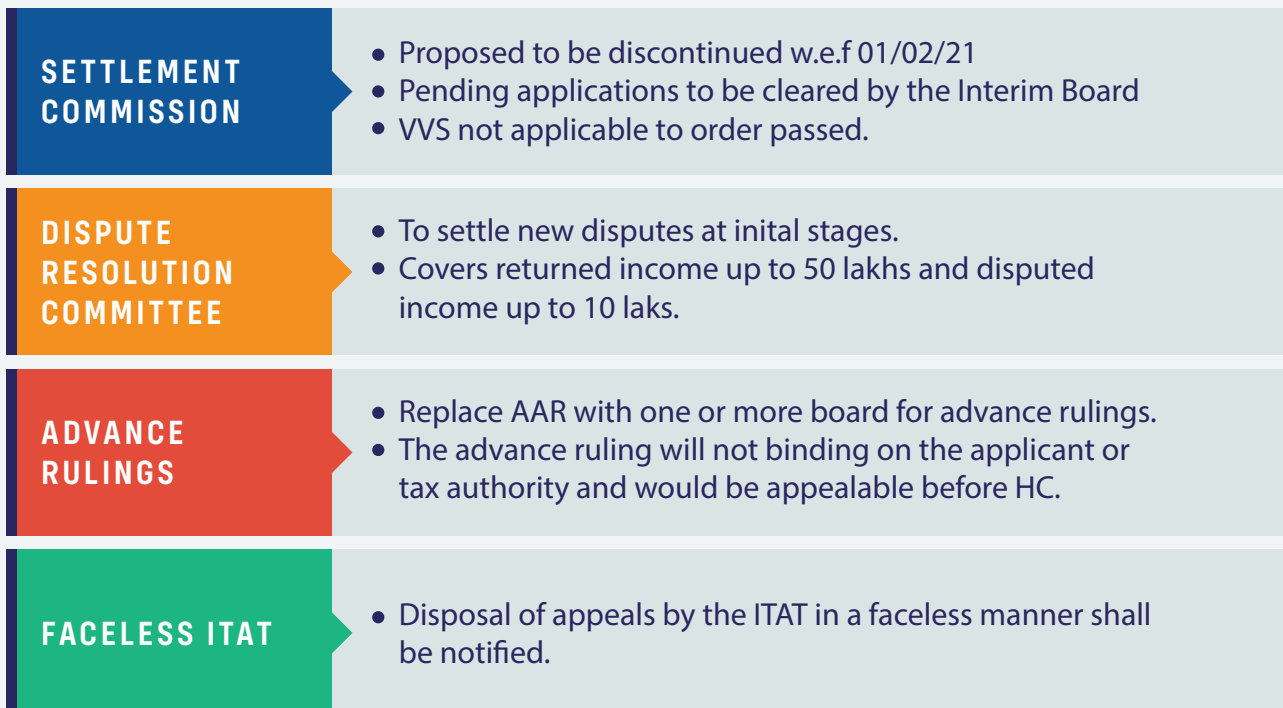


- Reduced to 9 months from existing 12 months from AY-2021-22 onwards.

REASSESSMENTS TO BE REVAMPED:



LITIGATION RATIONALISATION



c. International Taxation

EQUALISATION LEVY ON E-COMMERCE OPERATORS:

Exemption aligned with date of introduction i.e 1-04-20.

Royalty and FTS excluded.

CLARIFICATIONS

Levy on gross amount whether traders or service providers.

Any 'online element' of a transaction may trigger equalisation levy



d. Mergers & Acquisition

RATIONALISATION OF SLUMP SALE

DEFINITION AMENDED

- Will include all types of transfers
- Exchange & other forms will come within the ambit of Capital Gain

SLUMP EXCHANGE TRANSACTION

- Computation mechanism for slump sale shall be applicable.

DEPRECIATION ON GOODWILL

**NO DEPRECIATION
ON GOODWILL
WHATSOEVER.**

**IF CLAIMED
BEFORE 01/04/2020,
NEED TO BE
ADJUSTED FROM
THE COST OF
ACQUISITION.**

2

KEY ALLIED LAWS PROPOSALS

COMPANIES ACT-2013

Proposed to widen the definition of small company- Paid up share capital and turnover limits increased to Rs. 2 cr and 20 cr.

NRI shall set up OPC, Flexibility to convert OPC to any other form of company, criteria for residency for OPC reduced to 120 days.

THE SECURITISATION AND RECONSTRUCTION OF FINANCIAL ASSETS AND ENFORCEMENT OF SECURITY INTEREST ACT, 2002

Minimum Ticket size for debt recovery reduced to Rs.20 Laks for NBFC's having asset size more than Rs.100 Cr.

Asset reconstruction company permitted to purchase/securitise defaults/ debts of pooled investment vehicle owed to banks.

3

KEY INDIRECT TAX PROPOSALS

a. GST

AMENDMENT OF ZERO RATED SUPPLIES

- Made to special economic zones, restricted to authorized operations.
- Only notified class of taxpayers/goods/services are eligible.
- Non realisation of sale proceeds as per FEMA-1999 to entail refund amount.

RETROSPECTIVE AMENDMENTS

- Definition of Supply to include activities /transactions involving supply of goods/services by any person (other than individuals) to its members or vice versa
- Interest on delayed payment to be paid on net basis.

GST AUDIT AND ANNUAL RETURNS

- Removal of GSTR-9C
- GSTR-9 may contain details of self certification

ADDITIONAL CONDITION TO AVAIL INPUT

- Supplier has to report the invoice in thier statement of outward supplies.

ASSESSMENT PROCEDURES

- Seizure of goods in transit to be treated as seperate procedure.
- Mandatory deposit of 25% of penalty for filing appeal in such cases.
- Minimum penalty in case of detention/confiscation of goods or conveyance increased to 200% & 100% respectively
- Provisonal attachment applicable from intiation of proceedings till the expiry on 1 year from the date of order.

b. Customs

01

Rationalisation of customs duty structure by eliminating outdated exemptions.

02

A common customs electronic portal will be put in place.

03

Rationalisation of duties on rawmaterial inputs to man made textiles.

04

Increase in duty on solar inverters to 15% and lanterns to 20% to promote domestic production and exempting duty on steel scrap for a period upto 31st March 2022.

05

Imposition of AIDC, a new cess on import of specified goods by reducing BCD rate.

06

Customs investigations to be completed in 2 years.

07

Customs exemptions shall be time bound and will automatically expire on 31 March on completion of 2 years.

08

Bill of entry to be filed 1 day in advance of arrival of goods.

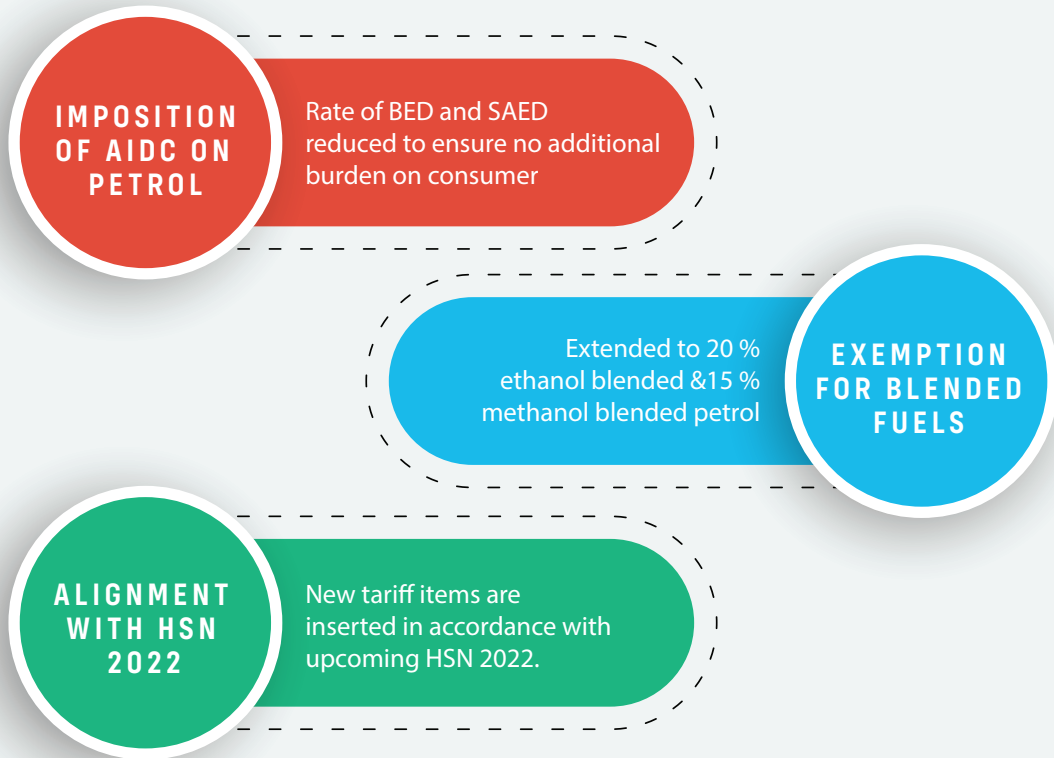
09

Goods entered for illegitimate export benefits and fraudulent credit availed shall be liable for seizure and penalty equal to 5 times of refund respectively.

10

Social welfare surcharge (SWS) exempted on the value of AIDC imposed on gold and silver.

b. Central Excise Duty

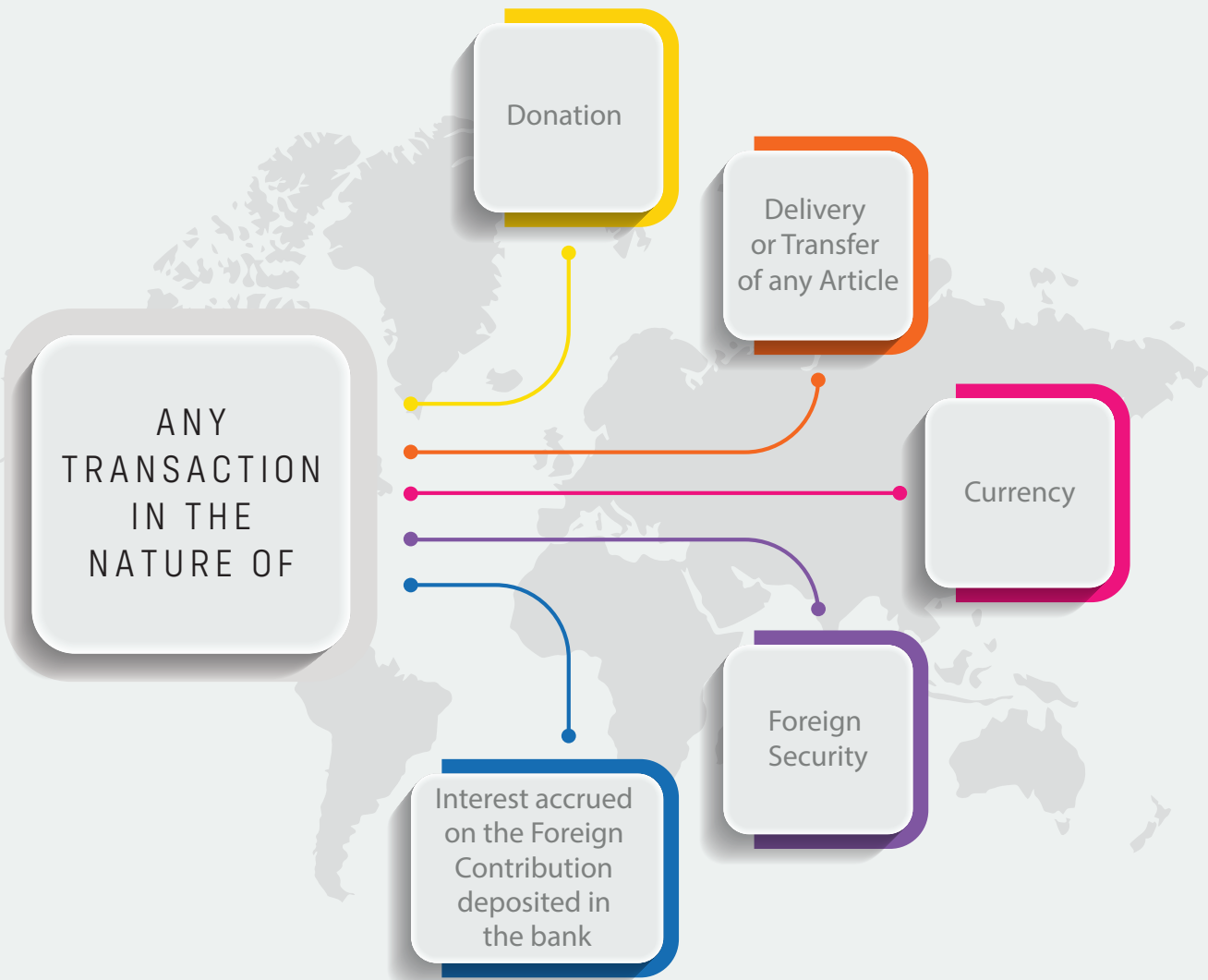


Overall, the budget tries to address the key issues faced by the sector post the pandemic, though execution remains to be the key. Also, while some of the measures may take time to fructify, the direction is positive and would bolster the sector.

FCRA HAND GUIDE

In order to prevent swindling of funds, strengthening national security and compliance mechanism, enhance transparency and accountability in the hands of the recipient of the foreign contribution, the Government introduced Foreign Contribution Regulation Act (FCRA). The Act allows NGOs to receive foreign contribution without any restriction. However, they are required to report the amount received and spent each year. The FCRA is applicable to all associations, groups and NGOs which intend to receive foreign donations.

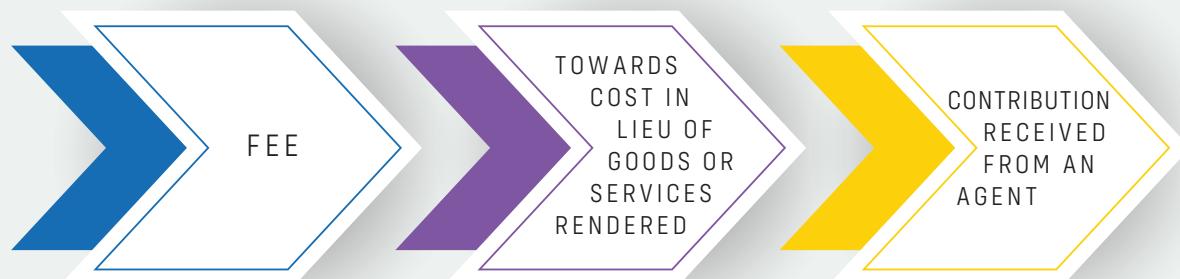
WHAT IS FOREIGN CONTRIBUTION?



received from any foreign source, either directly or through one or more persons is called as Foreign Contribution.

WHAT IS NOT CONSIDERED AS FOREIGN CONTRIBUTION?

Any amount received, by any person from any foreign source in India by way of



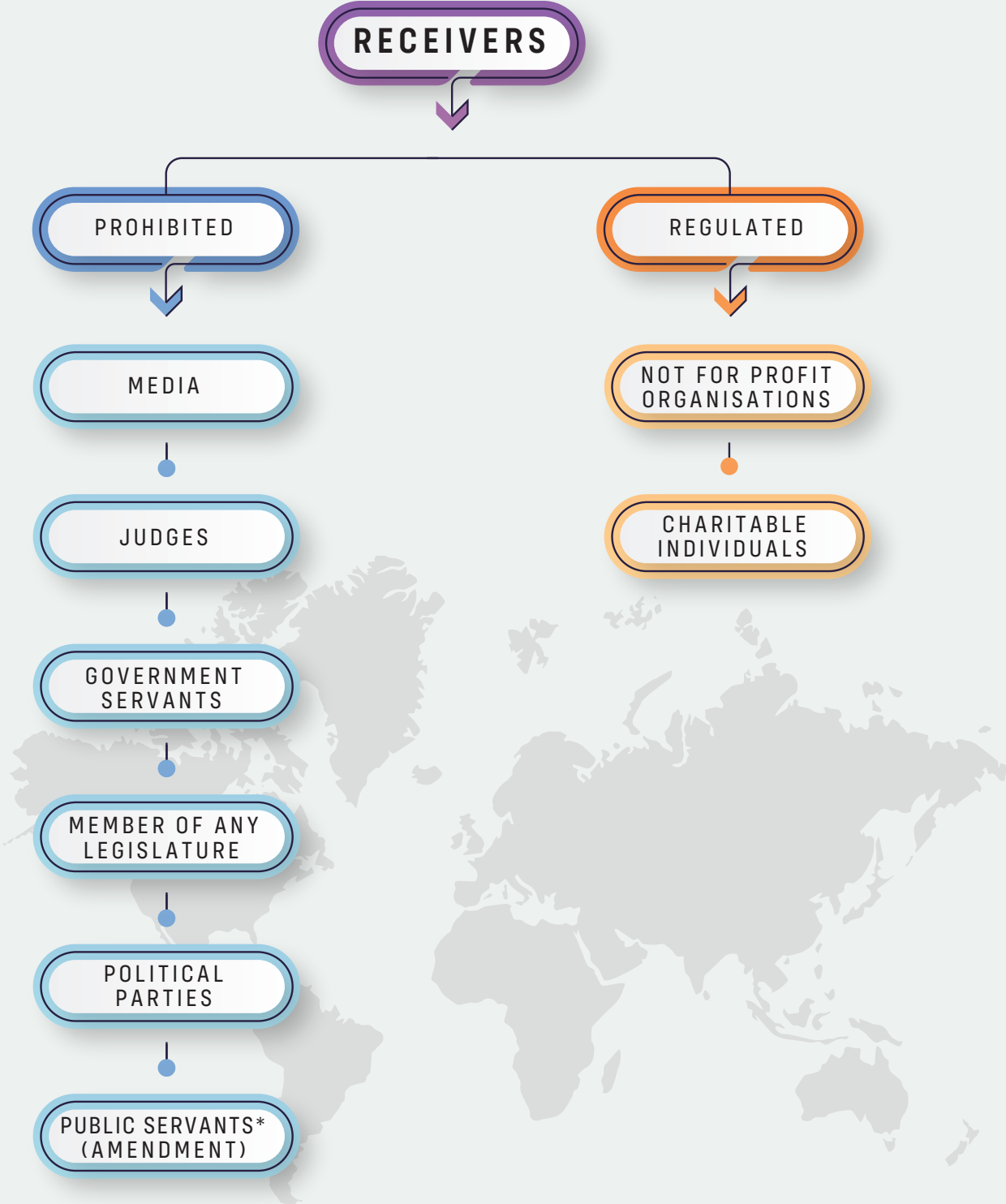
WHO CAN RECEIVE FOREIGN CONTRIBUTION?

Any "Person" can receive foreign contribution

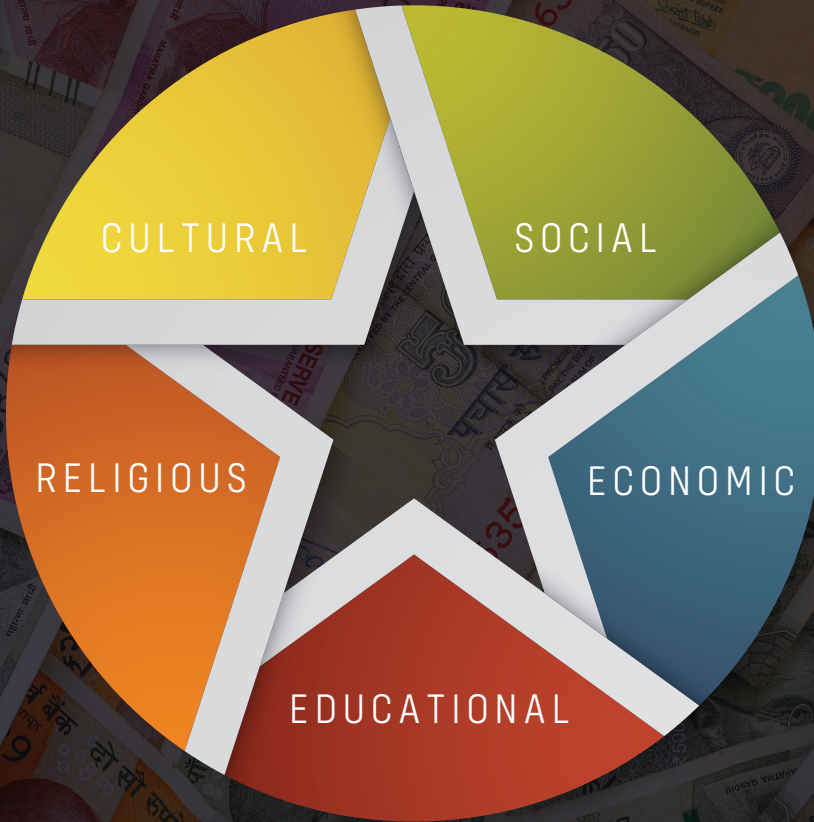


RECEIVERS OF FOREIGN CONTRIBUTION

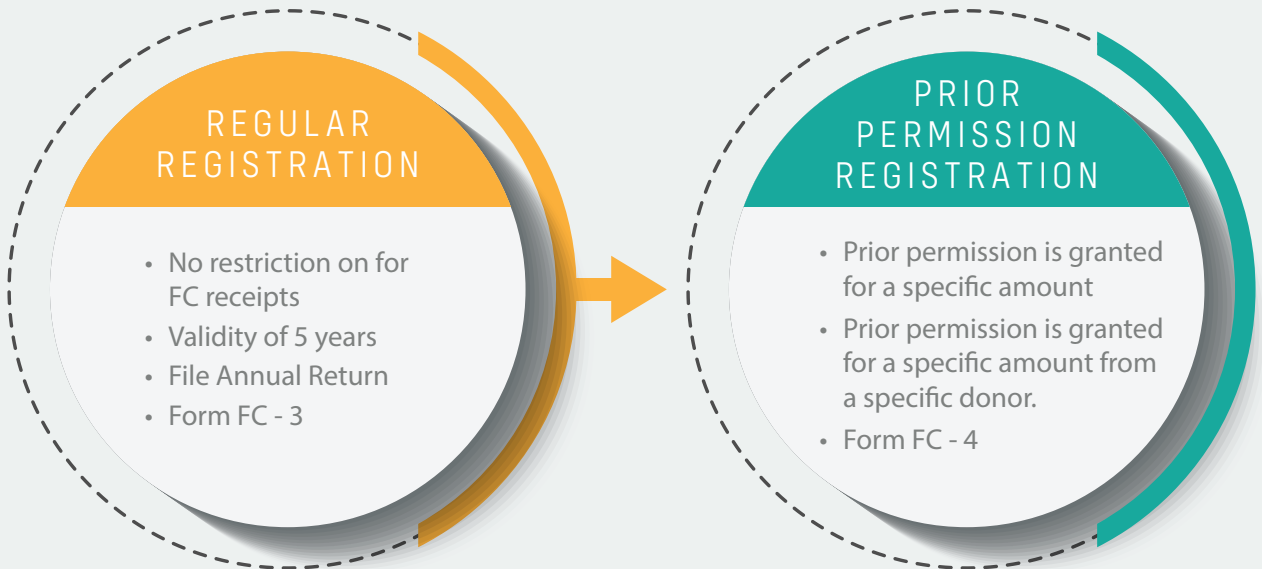
Any amount received, by any person from any foreign source in India by way of



PURPOSE OF FC RECEIPTS



TYPE OF FCRA REGISTRATION



ELIGIBILITY CRITERIA

The association must be registered (under the Societies Registration Act, 1860 or Indian Trusts Act 1882 or section 8 of Companies Act, 2013 etc.)

Must be in existence for atleast 3 years

Has undertaken reasonable activity in its field for the benefit of the society.

Has spent at least Rs.10,00,000/- over the last three years on its activities.

DOCUMENTS REQUIRED

Registration Certificate of Association

Memorandum of Association/Trust Deed

Activity Report for the Last 3 Years

Scanned Image of Signature of Cheif Functionary and Seal of the Association

Audited Statement of accounts for the last three years

Commitment Letter from Donor (Prior Permission Registration)

ADDITIONAL DETAILS

CONTACT DETAILS OF ORGANISATION AND ITS MEMBERS

REGISTRATION DETAILS OF THE ORGANIZATION SUCH AS DATE AND PLACE OF REGISTRATION, PAN

LIST OF MAIN OBJECTS AND DEFINITE PROGRAMMES FOR WHICH THE CONTRIBUTION IS TO BE ACCEPTED / UTILISED

IF THE ORGANISATION HAS RECEIVED ANY FOREIGN CONTRIBUTION WITH OR WITHOUT THE PRIOR APPROVAL OF THE CENTRAL GOVERNMENT, THEN THE DETAIL SHOULD BE GIVEN

DETAILS OF DESIGNATED BANK ACCOUNT AND UTILISATION BANK ACCOUNT

DARPAN ID, IF ANY

PAN CARD, ADHAR CARD, MOBILE NUMBER, EMAIL IDS AND OCCUPATION OF TRUSTEES

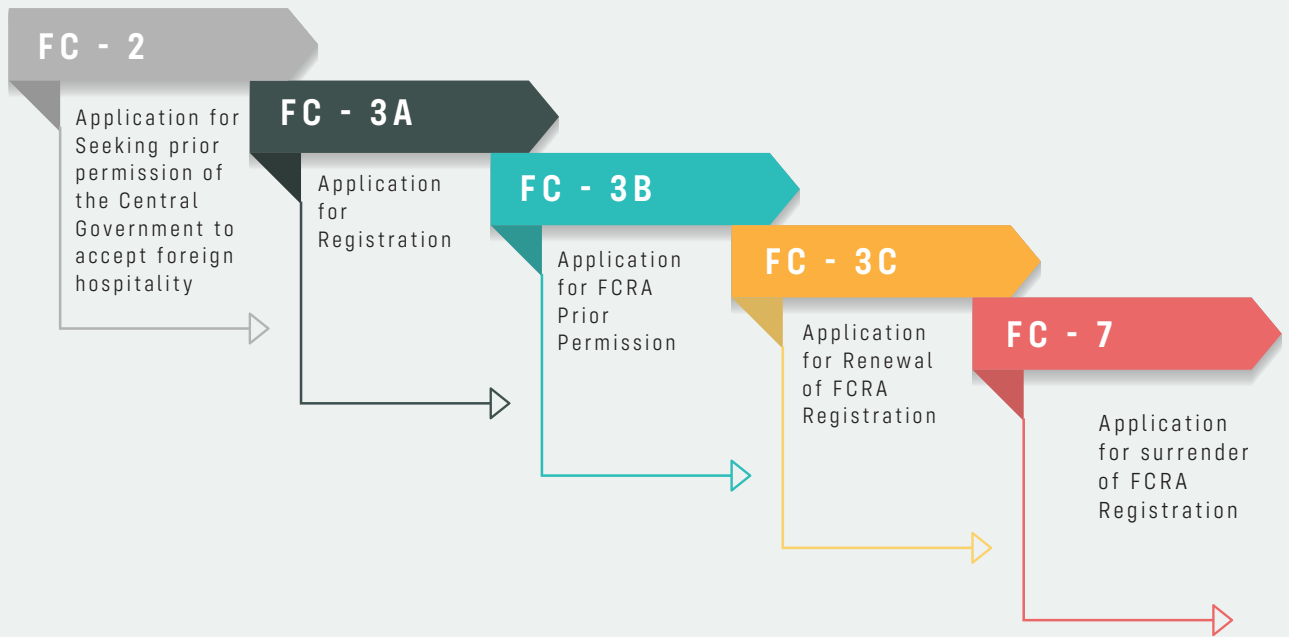
FCRA FORMS

FCRA FORMS

CHANGE
REQUIRING
PRIOR
PERMISSION

INTIMATION
OF CHANGES

CHANGES REQUIRING PRIOR PERMISSION



FCRA FORMS

FC - 1	Receipt of foreign contribution by way of gift as Articles/Securities by candidate for Election	Within 30 days from the date of receipts
FC - 4	Annual Returns	Within 9 months from the end of FY i.e 31 st December of each year
FC - 6A	Change of name and/or address within the state of the Association	Within 15 days of such change
FC - 6B	Change of nature, aims and objects and registration with local authorities	Within 15 days of such change
FC - 6C	Change in designated bank account	Within 15 days of such change
FC - 6D	Opening of additional FC utilisation bank account/ intimation of opening FCRA account in SBI Branch, Delhi	Within 15 days of opening such account
FC - 6E	Change in Original Key Members	Within 15 days of such change

Apart from the above forms, the association needs to file intimation regarding Quarterly receipts of Foreign Contribution. The association needs to intimate the Ministry, even if it has not received any contribution during the Quarter.

ACCOUNTS & AUDIT

MAINTENANCE
OF ACCOUNTS

DESIGNATED
BANK
ACCOUNT

AUDIT

MAINTENANCE OF ACCOUNTS

ACCOUNTS
TO BE
MAINTAINED
ON YEARLY
BASIS

INCOME &
EXPENDITURE,
RECEIPTS & PAYMENT
AND BALANCE SHEET
TO BE PREPARED
EXCLUSIVELY FOR
FC RECEIPTS

DESIGNATED BANK ACCOUNT



FCRA FUNDS CAN BE RECEIVED IN THE DESIGNATED BANK ACCOUNT

BESIDES THE DESIGNATED BANK ACCOUNT, UTILISATION ACCOUNTS IN ONE OR MORE BANKS CAN BE MAINTAINED

DESIGNATED ACCOUNTS ARE STRICTLY PROHIBITED FROM RECEIVING NON - FC FUNDS

INTEREST EARNED OUT OF FC FUNDS WILL BE TREATED AS FC RECEIPTS

AUDIT

Income & Expenditure Account, Receipt & Payment account , Balance Sheet with report in Form FC - 4 duly certified by CA before 31st December following the end of FY

Form FC 4 to give details of each contribution received, the source, manner of receipt, purpose of receipt and manner of utilisation

Even Nil report has to be submitted

AMENDMENTS TO FCRA ACT

PROHIBITION ON ACCEPTANCE
OF FOREIGN CONTRIBUTION

PROHIBITION ON TRANSFER OF FOREIGN
CONTRIBUTION TO ANY PERSON

PROVIDE AADHAR NUMBER OF
ALL ITS OFFICE BEARERS, DIRECTORS
OR KEY FUNCTIONARIES

ACCEPTANCE OF FOREIGN CONTRIBUTION
IN SBI BRANCH OF NEW DELHI

ONLY 20% OF THE FOREIGN
CONTRIBUTION RECEIVED CAN BE UTILISED
FOR ADMINISTRATIVE PURPOSES

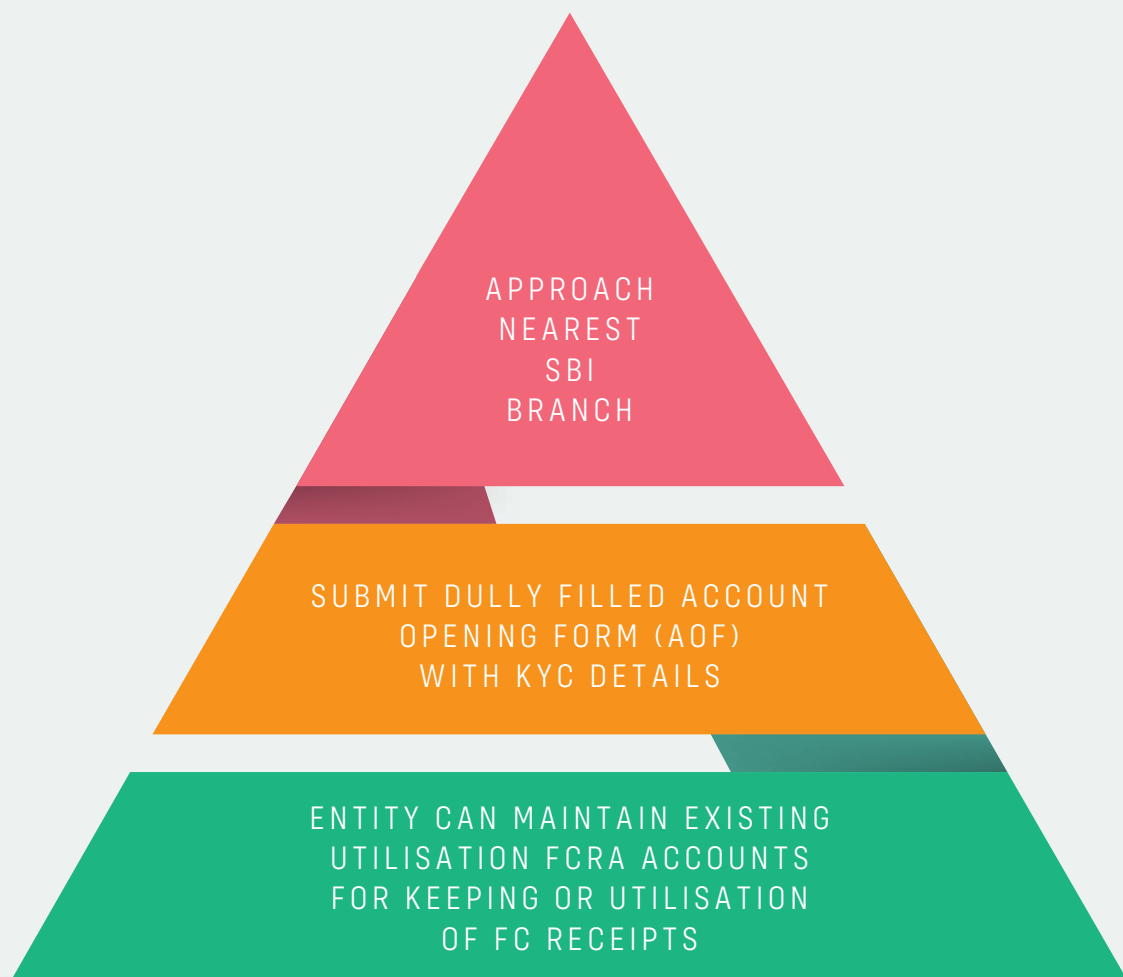
INQUIRY BY MHA
BEFORE RENEWAL OF FCRA

ASSOCIATION CAN VOLUNTARILY
SURRENDER FCRA REGISTRATION

OPENING BANK ACCOUNT IN SBI BRANCH, DELHI

All NGO's seeking foreign donations have to open a designated FCRA account at the SBI, New Delhi Branch before 31st March 2021. The association registered under FCRA cannot accept any contributions in any other bank after 01st April 2021. The association needs to intimate the MHA within 15 days of opening such account.

No Need to Visit the SBI Branch in Delhi. The account can be opened in the following manner.



BUSINESS VALUATION

An opportunity
for professionals

”

Price is What You Pay.
Value is What You Get.

WARREN BUFFET
BERKSHIRE HATHAWAY

WHAT IS BUSINESS VALUATION?

Business valuation is a process and a set of procedures used to determine the economic value of business, business ownership interest, security or intangible asset under certain assumptions and limiting conditions.

WHEN BUSINESS VALUATION IS DONE?



BUY/SELL AGREEMENT



STOCK OPTION



DIVORCE



PARTNERSHIP RECONSTITUTION



LITIGATION



MERGERS & ACQUISITION



STANDARDS OF VALUE

The standard of value is the hypothetical conditions under which the business will be valued.



Fair market value – a value of a business enterprise determined between a willing buyer and a willing seller both in full knowledge of all the relevant facts and neither compelled to conclude a transaction.

Investment value – a value the company has to a particular investor. Note that the effect of synergy is included in valuation under the investment standard of value.



Intrinsic value – the measure of business value that reflects the investor's in-depth understanding of the company's economic potential.

HOW VALUATION IS DONE



Obtain an in-depth understanding of the business and business ownership interest



Perform a thorough financial and qualitative analysis



Consider all three(3) valuation approaches



Asset-based Approach



Market Approach



Income Approach



Consider valuation adjustments

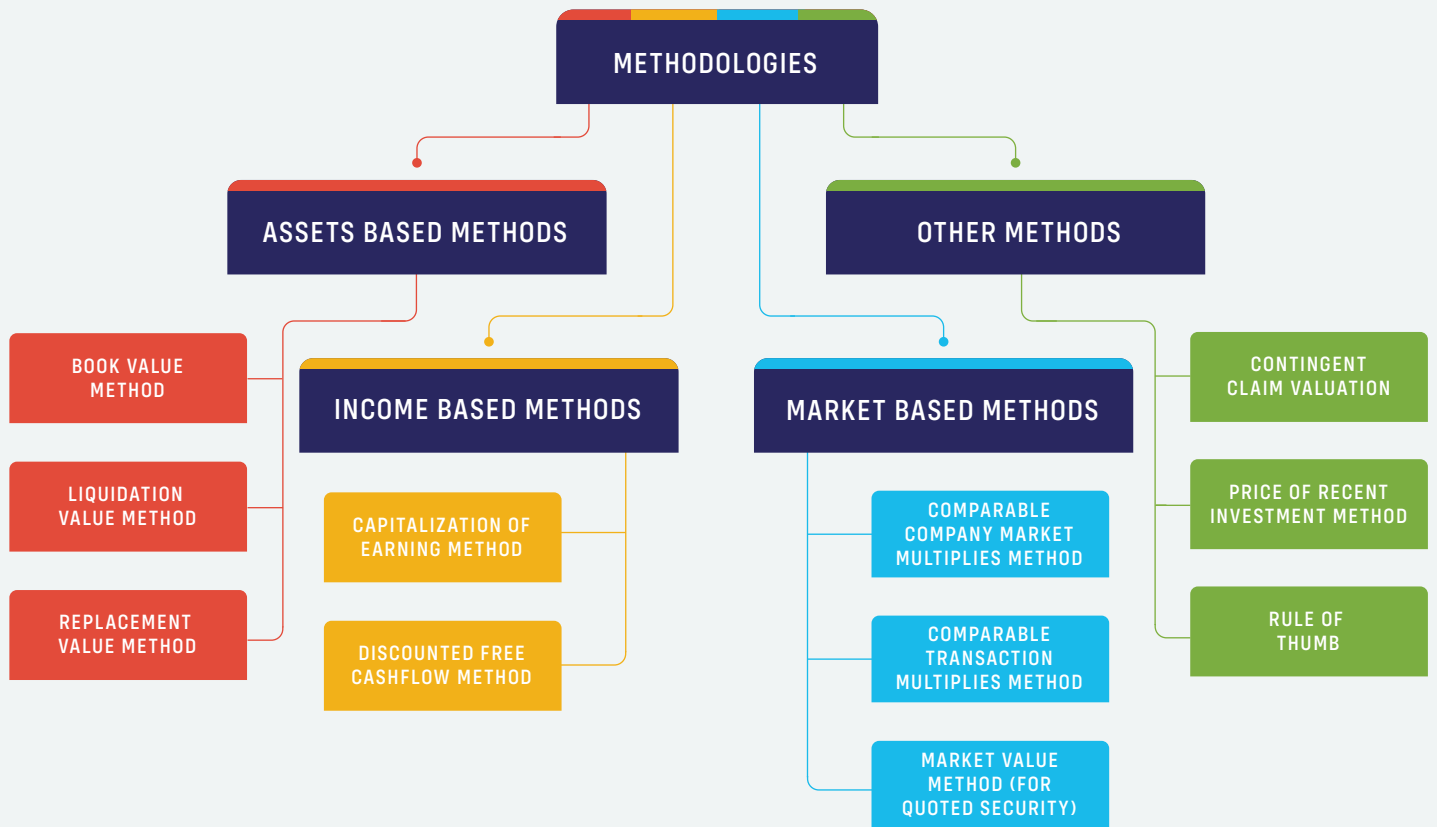


Reconcile indicated value(s) to arrive at a conclusion of value



Present findings in a report

VALUATION METHODS/APPROACHES



ASSET BASED METHOD

The asset approach to business valuation considers the underlying business assets in order to estimate the value of the overall business enterprise. The business valuation methods under the Asset Approach include:

BOOK



MARKET METHOD

This approach uses the economic principle of competition which seeks to estimate the value of a business in comparison to similar businesses whose value has been recently established by the market. The business valuation methods under the Market Approach are:



INCOME METHOD

The Income Approach to business valuation uses the economic principle of expectation to determine the value of a business. To do so, one estimates the future returns the business owners can expect to receive from the subject business. These returns are then matched against the risk associated with receiving them fully and on time. The returns are estimated as either a single value or a stream of income expected to be received by the business owners in the future. The risk is then quantified by means of the so-called capitalization or discount rates. The methods under the Income Approach include:

The background of the top half of the page features a dark blue gradient with faint, glowing financial charts, including a line graph and a candlestick chart, suggesting a market or investment theme.

Price to Earnings or
Earnings Multiple/Capitalization
of Earnings Method

Discounted Cash Flow
Method

CONCLUSION

All the above approaches can yield different estimates of value for the same asset at the same point in time. To truly grasp valuation, we have to be able to understand and use all the approaches. There is a time and a place for each approach and knowing when to use each one is a key part of mastering valuation. There is no single business valuation approach or method which is definitive. Hence, it is common practice to use a number of business valuation methods under each approach. The business value then is determined by reconciling the results obtained from the selected methods. Typically, a weight is assigned to the result of each business valuation method. Finally, the sum of the weighted results is used to determine the value of the subject business.

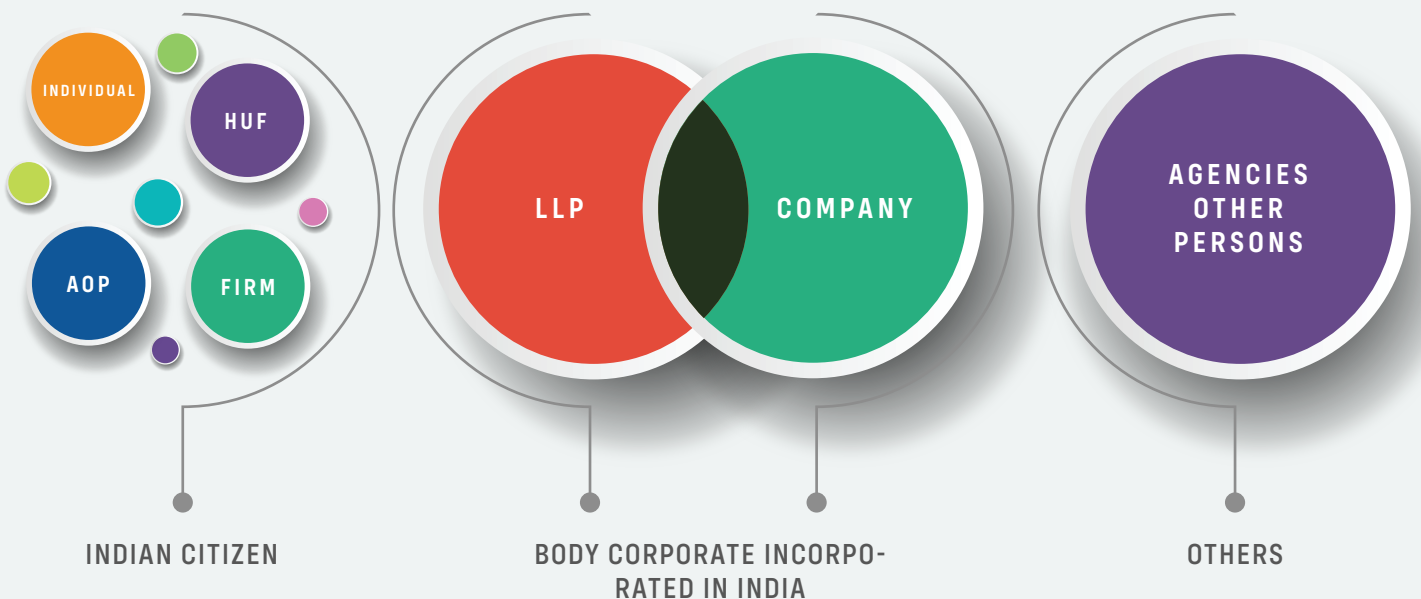
ELECTORAL BOND

Political Funding in a cashless economy

INTRODUCTION

The electoral bonds were introduced with the Finance Bill (2017). On January 29, 2018 the Central Government notified the Electoral Bond Scheme 2018. An electoral bond is like a promissory note that can be bought by any Indian citizen or company incorporated in India from selected branches of State Bank of India. The citizen or corporate can then donate the same to any eligible political party of his/her choice. The bonds are similar to bank notes that are payable to the bearer on demand and are free of interest. An individual or party will be allowed to purchase these bonds digitally or through cheque.

WHO CAN PURCHASE ELECTORAL BOND



HOW ELECTORAL BOND IS BOUGHT

IN MULTIPLES OF
RS.1000,
RS.10000,
RS. 100000,
RS. 1000000
OR RS. 10000000

FROM
AUTHORISED
BRANCHES OF
SBI

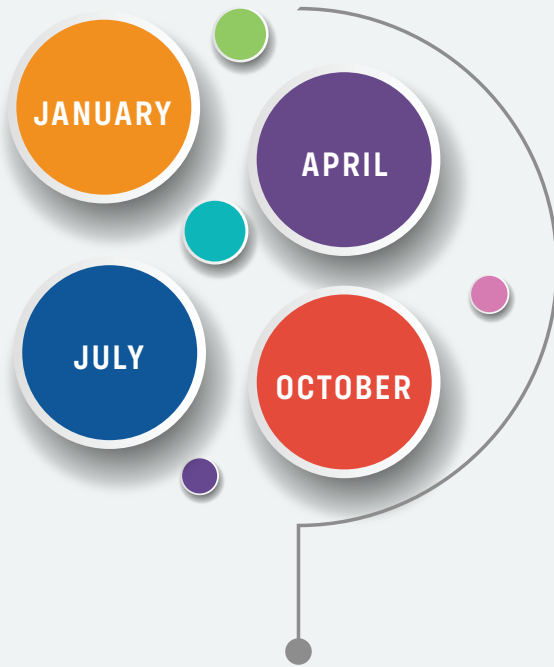
EITHER SINGLY
OR JOINTLY
WITH OTHER
INDIVIDUALS

BY MAKING
PAYMENT FROM A
BANK ACCOUNT
EITHER USING A
CHEQUE OR
ELECTRONICALLY

ON DUE
FULFILMENT
OF ALL THE
KYC NORMS

**NOTICE
NO CASH ACCEPTED**

WHEN IS THE BOND AVAILABLE FOR PURCHASE



FIRST 10 DAYS
OF EVERY QUARTER

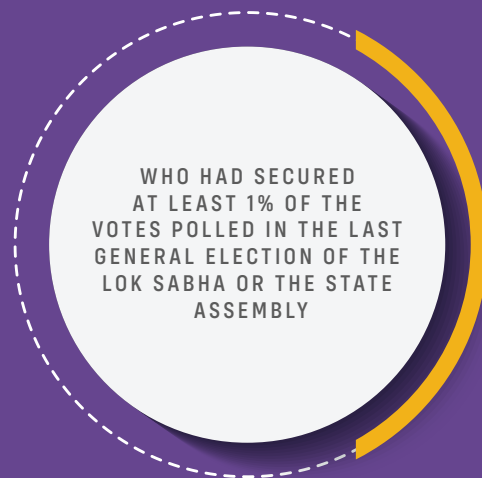


ADDITIONAL
30 DAYS

TO WHOM CAN WE DONATE



POLITICAL PARTY



POLITICAL PARTY

HOW TO DONATE



WHAT IF NOT DONATED WITHIN 15 DAYS

The amount of bonds not encashed within the 15-day validity period will be deposited by the authorized bank (SBI) to the Prime Minister Relief Fund.

OTHER FEATURES OF ELECTORAL BOND

CONFIDENTIALITY

INCOME TAX DEDUCTIONS

NO LIMIT

IT IS AN INTEREST FREE BANKING
INSTRUMENT, ISSUED ON A NON-REFUNDABLE BASIS
AND IS NOT AVAILABLE FOR TRADING.

NO LOAN WOULD BE PROVIDED AGAINST
THESE BONDS

HOW CONFIDENTIALITY IS MAINTAINED

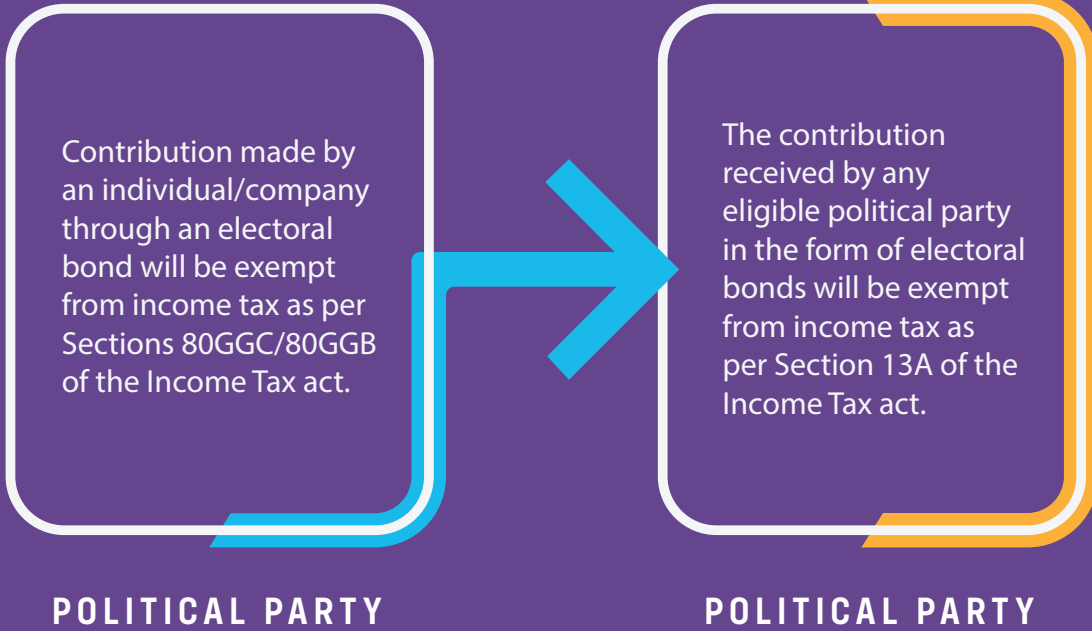
BANK CANNOT NAME THE DONORS. THE POLITICAL PARTY
MIGHT NOT BE AWARE OF THE DONOR'S IDENTITY

THE IT DEPT, EVEN IF QUESTIONED UNDER THE RTI ACT,
DETAILS CANT BE DISCLOSED

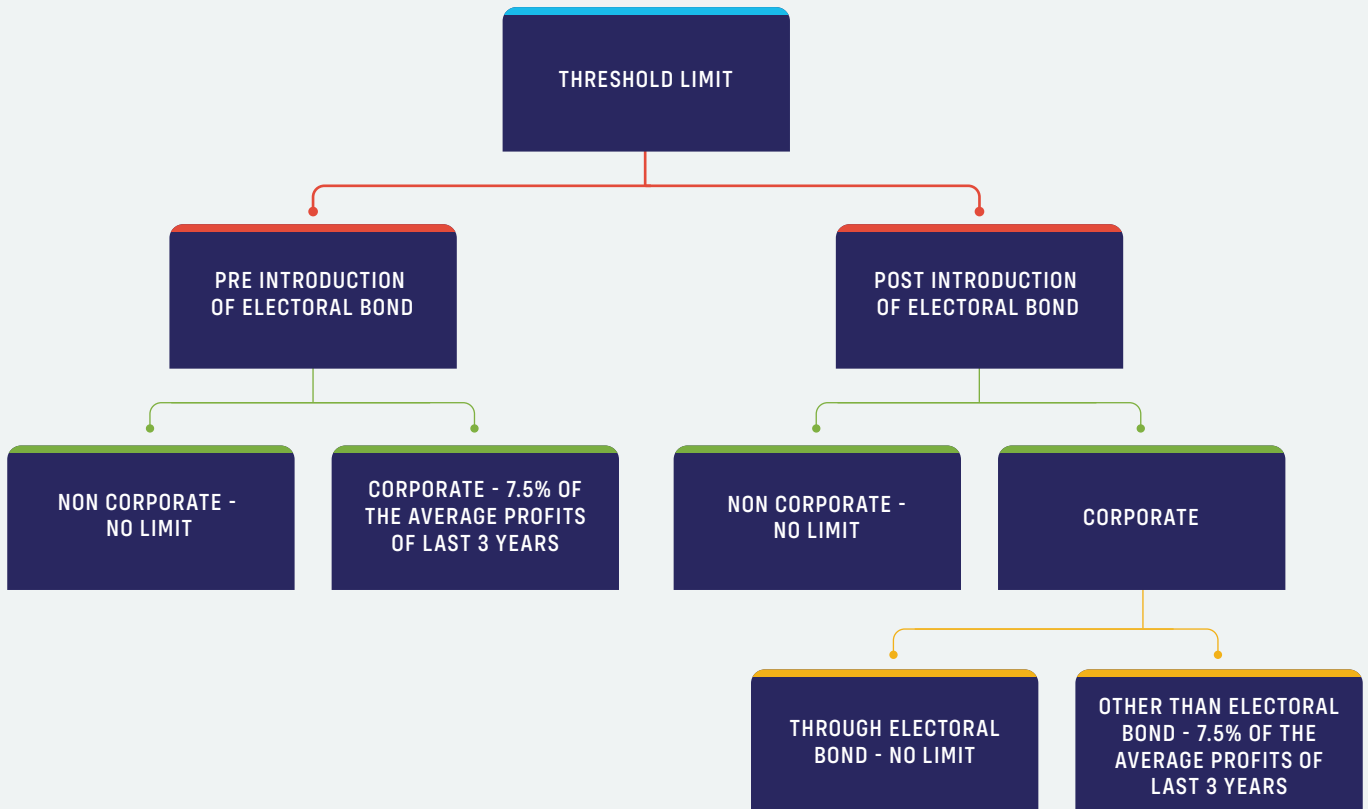
EXCEPTIONS

The information furnished by the buyer shall be treated confidential by the authorized bank and shall not be disclosed to any authority for any purposes, except when demanded by a competent court or upon registration of criminal case by any law enforcement agency.

INCOME TAX DEDUCTION



THRESHOLD LIMIT ON DONATION TO POLITICAL PARTY



FOREIGN FUNDING



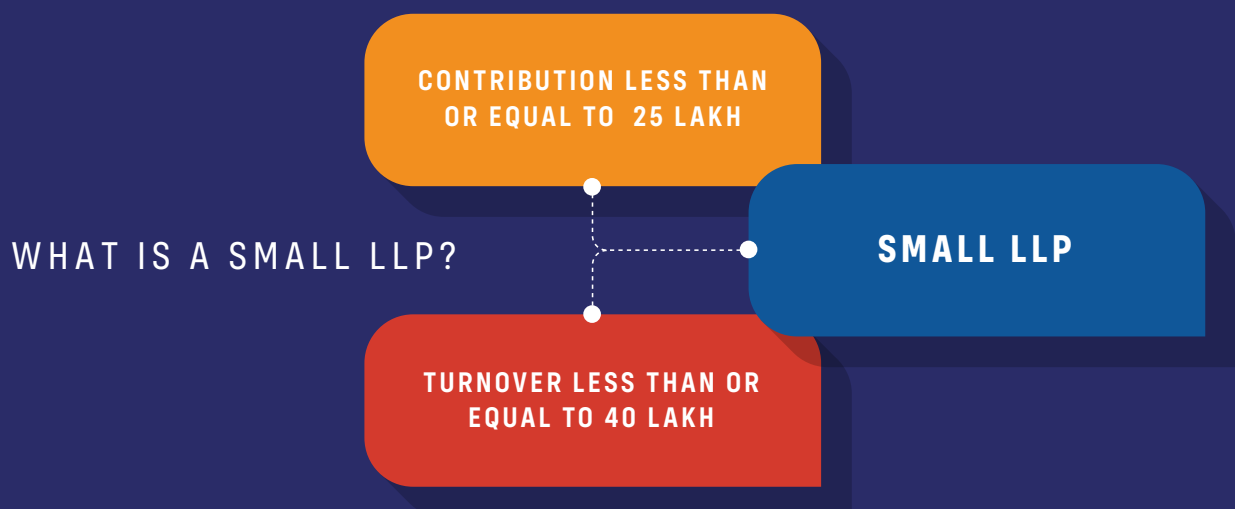
AMENDMENTS

DECRIMINALISATION OF LLP ACT 2008

The objective of the de-criminalization exercise is to remove criminality of offences from business laws where no malafide intentions are involved. An exercise was undertaken to identify those provisions of the LLP Act, violations of which do not result in injury to the public interest but are presently criminal in nature with fine as well as punishment after conviction being provided for in the Act.



INTRODUCTION OF SMALL LLP'S



REDUCED
FILING FEES

ACCOUNTING
STANDARDS FOR
ONLY CERTAIN
CLASS OF LLP

LESSER
COMPLIANCES

**BENEFITS TO
SMALL LLP'S**

LESSER
PENALTIES

LESSER
ADDITIONAL
FEES

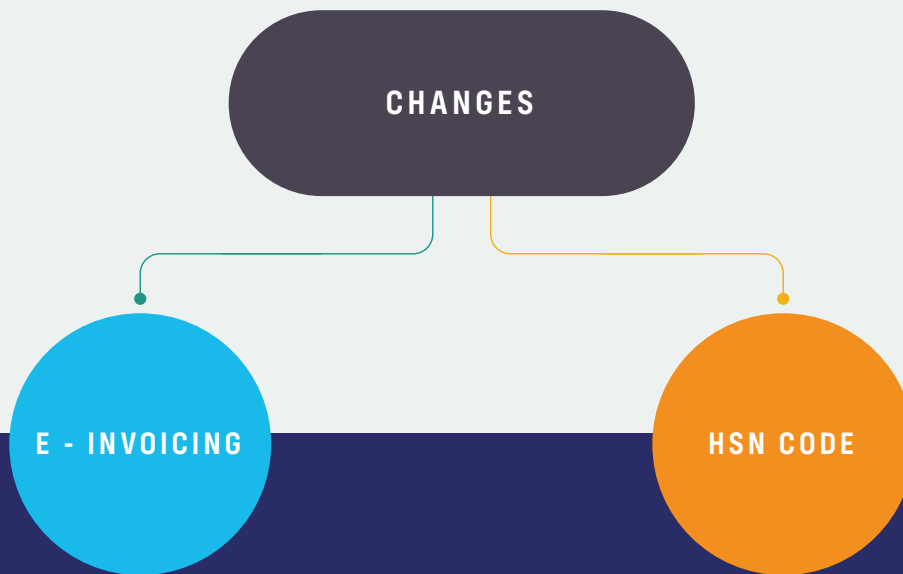
RAISING OF FUNDS THROUGH SECURED NON CONVERTIBLE DEBENTURES BY THE LLPS

BELOW RECOMMENDATIONS HAS BEEN GIVEN ON THE
ISSUE OF NONCONVERTIBLE DEBENTUREST

- The LLP agreement shall have a provision in this regard and the same should have been registered with the Registrar.
- Maintain a register of NCDs so issued in such form and manner as may be prescribed.
- Creation of debenture redemption reserve (DRR) out of the profits of the LLP for such quantum and in such manner as may be prescribed.
- Offer or invitation to subscribe to the secured NCDs to not more than 200 person in a financial year.
- Payment of interest and redemption to be made in accordance with the terms of issue.
- Filing of prescribed details about the secured NCDs so issued with the Registrar.
- In case of failure on the part of the LLP to pay interest or redeem the NCDs, the Tribunal may direct for doing so on the basis of the application made by any or all of the NCD holders.
- Issuance shall be made on such terms and conditions as may be prescribed.
- Any LLP who makes a default in compliance with the provisions of the proposed insertion of section 33A, will make the partners liable for punishment with imprisonment for a term which may extend to one year or with fine which shall not be less than Rs.2 Lakh and may extend up to Rs.5 Lakh or both.

GST AMENDMENTS

APPLICABLE FROM 01-04-2021



E - INVOICING

What is E - Invoice?



APPLICABILITY OF E - INVOICING

A. SUPPLIERS

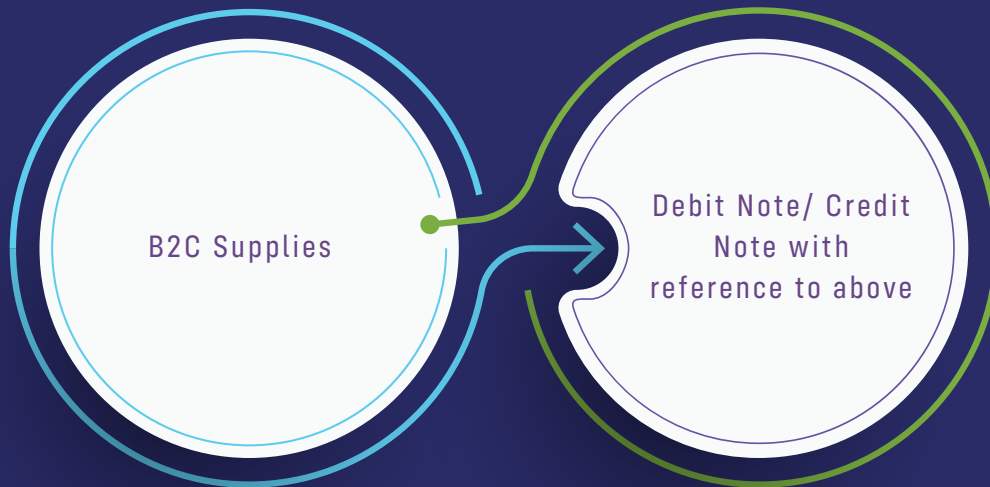
The applicability of E - Invoicing is on the basis of Turnover

TURNOVER	Applicable from
≥ 500 Cr	01-10-2020
≥ 100 Cr	01-01-2021
≥ 50 Cr	01-04-2021

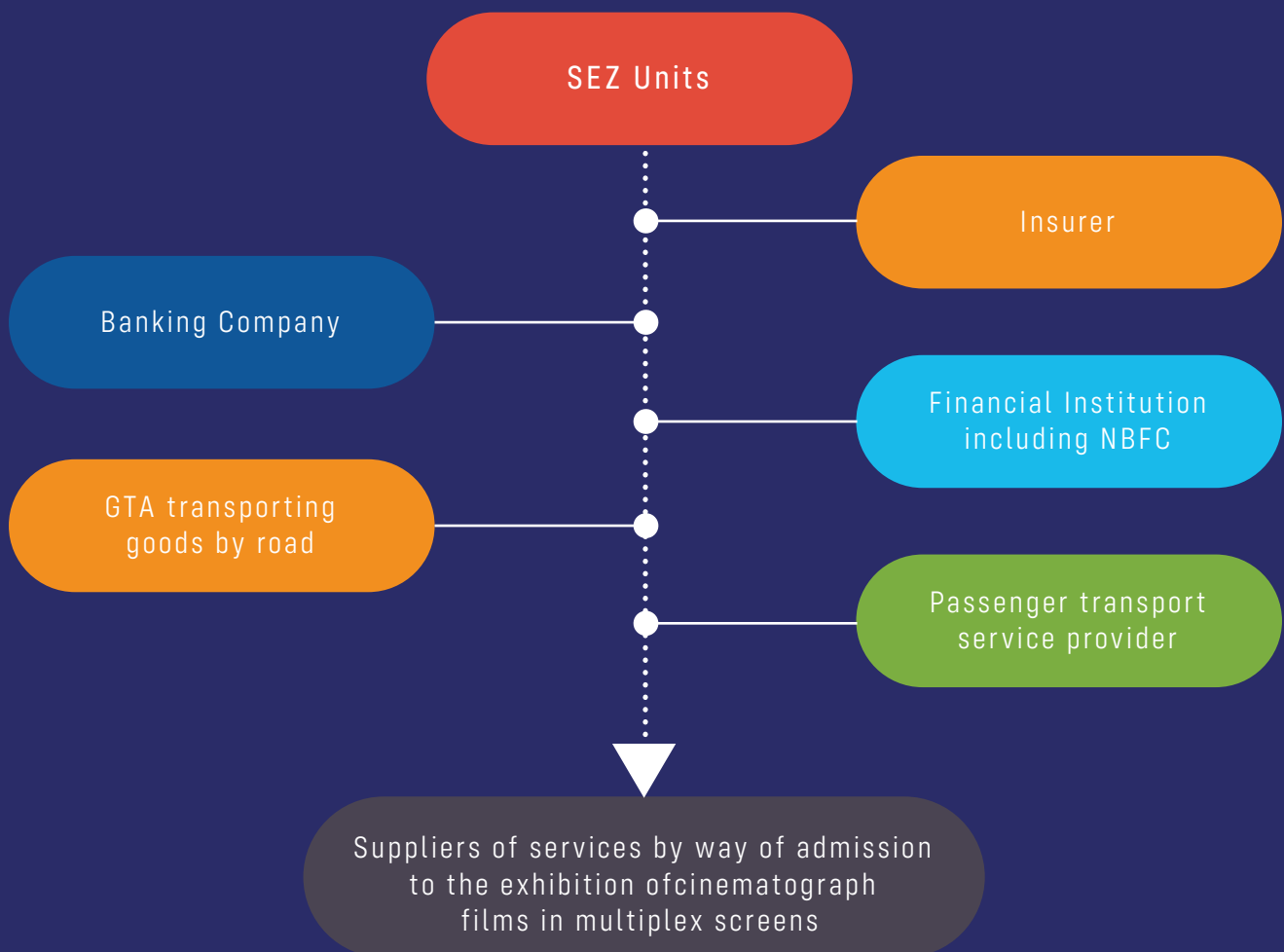
A. SUPPLIES



SUPPLIES ON WHICH E INVOICING IS NOT APPLICABLE



EXEMPTION FROM E - INVOICING



If there is a mistake or error then it cannot be edited or amended. The same needs to be cancelled and a new E Invoice with fresh IRN needs to be generated.

HSN CODES

APPLICABILITY





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