

COVID 19 to hit Sony Corp's operating profit

COVID pandemic has affected discretionary consumption and sale of consumer durable goods such as television, mobile phones, air conditioners, digital cameras etc. across the world.

Japanese conglomerate and the world's leading electronic goods maker Sony Corp. warned that this crisis may reduce its operating profit by 30% or more in the current year.

The pandemic has affected production and sale of the company's smart phones, digital cameras and other electronic products.

The company sounded the note of caution as it reported operating profit of 35.45 billion yen (USD 33 million) for the quarter ended March 31, 2020, down 57% from the same period a year earlier. Revenue also fell to 1.75 trillion yen. Forecast for the current year was not available.

Sony warned of unusual uncertainty because of the pandemic effect on production and demand. Based on its best assumptions now, operating income for the fiscal year ending March 31, 2021 is currently estimated to be at least 30% lower than the level achieved in the previous fiscal year.

The virus is impacting operations in unusual ways. According to Sony, its most affected unit is consumer electronics, with disruptions hitting factories that make televisions in Malaysia, Mexico and Slovakia, although they have resumed partial operations. Television sales have also slumped especially in Europe, India and Vietnam, while demand for digital cameras has decreased. The flagship gaming business said play station 4 console sales declined 42% to just 1.5 million units in the quarter, partially because of the widely anticipated launch of successor play station 5 at the end of the year.

COVID -19 may have a lasting impact on markets such as Brazil, India and Southeast Asia because it could reduce demand for consumer electronics, movie theaters and music concerts, according to an analyst.

Notifications

Press Information Bureau, Government of India

Direct tax reforms announced in recent years

<https://pib.gov.in/PressReleasePage.aspx?PRID=1630018>

Update on COVID 19

<https://pib.gov.in/PressReleasePage.aspx?PRID=1630069>

Catalysing Online Dispute Resolution (ODR) in India

<https://pib.gov.in/PressReleasePage.aspx?PRID=1630080>

Prime Minister speaks to President of Rwanda

<https://pib.gov.in/PressReleasePage.aspx?PRID=1629677>

CBIC

Faceless or remote assessment of Bill of Entry

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-nt2020/csnt50-2020.pdf>

Jurisdiction of Commissioner (Appeals)

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-nt2020/csnt51-2020.pdf>