THE NEWS LETTER

Daily Updates

From

PRADEEP GOYAL, FCA

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[Wednesday]

No-47

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Updates related to New Direct Tax Code-Ministry of Finance

- Key Recommendations in the report submitted by Task Force to Ministry of Finance.
  - Click here for my you tube video.
  - Click here to download Power Point Presentation by me.

- 10 ways in which New Direct Tax Code will impact you positively.
  [Read here for more details]

- Connect to this Facebook page for latest updates on DTC.

Updates related to Goods & Service Tax by CBIC

- **Notification/Circular/Press release/FAQs/Portal Update/Write-up by CBIC**

- GSTN issued advisory regarding Steps to be taken by taxpayers to file Form GSTR 9C- Issues involved-

  1. Digital Signature Certificate (DSC)
     - Digital Signature Certificate (DSC) must be PAN based and in format PKCS7.
     - DSC must not be corrupted.
     - DSC should be valid and must not have expired.

  2. Pre-requisites for filing FORM GSTR - 9C.
     - Prior filing of Annual Return GSTR-9 is mandatory.
     - Form GSTR-9C has to be prepared by the Auditor by filling up data in the Offline Tool available on the GST portal.

  3. Important to note with regard to Table 11 of FORM GSTR 9C
     - Table 11 can be left blank completely.
     - However, if data is required to be entered in some fields, then remaining fields must not be left blank and 0.0 (Zero dot zero) must be entered in those fields.

❖ Government issues Notification no. 36/2019- Central Tax dated 20th August, 2019 amended Notification No. 22/2019- Central Tax dated 23th April 2019 to extend appointed date of Rule 138E- "Restriction on furnishing of information in PART A of FORM GST EWB-01" from 21st August 2019 to 21st day of November, 2019.
[Copy of Notification no. 36/2019 here]

BACKGROUND

- Under Rule No. 12, of Central Goods and Services Tax (Fourteenth Amendment) Rules, 2018 issued vide Notification No. Notification No. 74/2018 – Central Tax dated 31st December, 2018, new rule 138E was inserted. Commencement date of rule 138E was appointed as 21st June, 2019 vide Notification No.22 /2019 – Central Tax dated 23rd April, 2019. Further 21st June was extended to 21st August, 2019 vide Notification No. 25 /2019 – Central Tax, dated 21st June, 2019.

- **About rule 138E [Restriction on furnishing of information in PART A of FORM GST EWB-01]**

  Notwithstanding anything contained in sub-rule (1) of rule 138, no person (including a consignor, consignee, transporter, an e-commerce operator or a courier agency) shall be allowed to furnish the information in PART A of FORM GST EWB-01 in respect of a registered person, whether as a supplier or a recipient, who, —
  (a) being a person paying tax under section 10, has not furnished the returns for two consecutive tax periods; or
  (b) being a person other than a person specified in clause (a), has not furnished the returns for a consecutive period of two months:

- **Legal updates- Court/AAARA judgements/Advance Rulings**
  [AAARA- Appellate Authority for Advance Ruling | ARA- Advance Ruling Authority]

Sr.No.	Key to find the document	Court/ARA/AAAR	Description	
			Ruling/ Judgement	**Summary**
1	[2019] 108 taxmann.com 28 (Gujarat) Perfect Boring (P.) Ltd. v. Union of India R/SPECIAL CIVIL APPLICATION NO. 1321 OF 2019 JUNE 28, 2019	High Court of Gujarat	Judgement	Where High Court vide order dated 8-2-2019 had directed assessee to furnish bank guarantee for a sum of Rs. 55 lakhs within a period of one month and also directed it to pay balance amount in monthly instalments and assessee filed application before High Court seeking extension of time period for furnishing bank guarantee, since assessee had already paid first three instalments, period for furnishing bank guarantee deserved to be extended
2	[2019] 107 taxmann.com 411 (Allahabad) Atin Krishna v. Union of India	High Court of Allahabad	Judgement	Sale of goods at International Airport Departure terminal by duty free shops is to be treated as 'export of goods' section 7(2) along with sections 2 (10) & 2(4) of IGST Act, sections 2 (11) & 2(13) of Customs Act, 1962

- **News/Latest Developments/Other updates**

❖ Closer look at CAG audit of GST reveals systemic flaws, not just glitches

Granular, comparable and regularly updated data on GST has never been shared by the government with researchers or the public. A closer reading of the report reveals some startling and worrisome facts. These findings, it should be noted, are from a partial audit exercise because in breach of constitutional provisions and legal obligations, CAG was not provided full access to the GST database. With the Union government preventing a comprehensive audit, CAG carried out a test audit instead.

[Business Standard Report]

❖ What lies ahead: Experts discuss hits, misses and vision of GST rollout

Torchbearers of the Indian economy and experts from the GST Council recently converged at PwC and CNBCTV18 present GST@2- The Road Ahead and spoke at length about hits and misses of the GST rollout. During the event, the stalwarts of the industry also laid a roadmap for third year of the GST, highlighting the importance of technology in simplifying GST filing.

[Read here for full report]

❖ GST: non-compliance will attract heavy penalty

With the deadline for the payment of Goods and Services Tax (GST) just ten days away, the Tirupati GST Commissionerate has cautioned the public about the perils of non-payment.

[Hindu report here]

❖ CA bodies submit representation for 'Acche Din' for taxpayers to Finance Ministry.

Seek timely refunds, extension in due date for GST Annual Return and Reconciliation Statement, higher threshold for launching prosecution, Chartered Accountants' associations have met Minister of State of Finance, Anurag Thakur seeking a slew of reforms for 'Acche Din' in income tax and good services tax to benefit taxpayers.

[Detail here]

Updates related to Income Tax by CBDT

- **Legal updates- Tribunals, High Court & Supreme Court judgements**

Sr.No.	Key to find the document	Description	
		Tribunal/Court	Brief judgement
1	[2019] 107 taxmann.com 417 Annapoorneshwari Investment v. DCIT, Central Circle- 2 (2), Bangalore* IT APPEAL NO. 99 (BANG.) OF 2016 APRIL 26, 2019	IN THE ITAT BANGALORE BENCH 'C'	In terms of section 249(4)(a), stipulation as to payment of tax ante filing of first appeal is only directory and not mandatory and, therefore, where appeal is filed without payment of tax but subsequently required amount of tax is paid, appeal shall be admitted on making payment of tax and taken up for hearing on merits [Section 249 of IT Act]
2	[2019] 107 taxmann.com 416 Duo Meadows (P.) Ltd. v. ITO Bengaluru* WRIT PETITION NO. 2320 OF 2019 (T-IT), APRIL 11, 2019	HIGH COURT OF KARNATAKA	Where assessee challenged assessment order on crucial aspects in appellate proceedings, it was to be directed any order passed by revenue authorities under section 281B would not be enforced until a decision was taken by appellate authority on stay application filled by assessee

- **News/Latest Developments/Other updates**

❖ Online platforms, CAs aren't responsible for wrong income-tax filing
For filing income-tax (I-T) returns this year, say, you take services of an online tech platform. The platform makes a mistake, which doesn't catch your attention at the time of submission. Later, the I-T department sends a notice that says you have under-reported the income. Who would be held responsible for error? It's always the taxpayer's responsibility even though the platform makes a mistake.
[BS Report]

❖ Income Tax Department conducts searches at Oberoi Realty, Capacite Infra
The Income Tax Department August 20 conducted searches at offices of Oberoi Realty and its vendor Capacite Infra projects to probe suspicious fund trails in the companies. [Money control report here]

❖ ITR filing: TDS related queries answered by income tax department
[ET Report]

❖ Government issues Prevention of Money-laundering (Maintenance of Records) Third Amendment Rules, 2019.
[Gazetted notification copy here]

Updates related to Announcement by ICAI

❖ ICAI invites application for Empanelment of Members to act as Observers at the Examination Centres for the Chartered Accountants Examinations November 2019.
[Here is announcement]

❖ Practicing Chartered Accountants are invited to fill the Multipurpose Empanelment Form (MEF) for the year 2019-20 here.
[Details announcement here]

Updates related to Announcement by ICSI

- Result of Company Secretaries Professional Programme and Executive Programme Examinations held in June 2019 to be declared on 25 August, 2019.
  [ICSI announcement here]

- PHD Chamber's National Summit on "Corporate Affairs: Insights to Influence" on 21st September, 2019 at PHD House, New Delhi.
  [Program details here]

Updates related to Start-ups by Start Up India Department

- Noida-based EdTech Start-up, Admitkard has raised USD 1 Million in a Pre-Series A funding round.
  [Read here full story]

  Founded in 2016 by Bhartiya and Rachit Agarwal, AdmitKard provides a "course to career" solution for students who are looking for cross-border admissions into universities and colleges. The company claims to use the concept of "near-peer" mentoring and uses AI/ML to assist decision making. Aspirants of foreign education are connected to current students in universities abroad over the AdmitKard platform for the most accurate, current and unbiased advice.

- Ally, a goal-setting and execution management software start up, has raised $8 million, led by Accel, with participation from Founders Co-op, Vulcan Capital, and Lee Fixel. Ally's product is based on the Objectives and Key Results (OKR) framework. The company addresses the challenges that businesses face in adopting OKRs by offering an intuitive interface with embedded OKR best practices and templates.
  [Read success story here]

Updates related to Latest developments in Economy & Finance world

- Resolve stressed assets on time in your interest: RBI to Banks

RBI deputy governor ns vishwanathan Tuesday exhorted bankers to ensure timely resolution of stressed assets under the new framework to extract the best value and underlined the need for dealing only in "genuine" cases.

- Amid slowdown in demand, SBI announces cheaper loans

With an eye on getting business this festive season amid a slowdown in demand, the country's largest public-sector lender state bank of India on Tuesday offered discounts on interest rates on home, car and personal loans, and waived processing fee for car loans.

- Borrowers to gain as RBI to tell banks to link loans with repo rate.

The compliance culture in Indian banks is far from satisfactory and some of the big losses suffered on account of frauds could have been avoided if it was in place, the reserve bank of India's (RBI) deputy governor MK jain said.

- HDIL to face IBC proceedings, says will challenge NCLT order

Insolvency proceedings have been initiated against many real estate developers, including jaypee infratech, mainly because of default in loan repayment to banks as well delivery of flats to home buyers.

- MCA orders probe against cg power, inspection report to be ready soon

CG power and industrial solutions is under the lens of the ministry of corporate affairs (MCA), which has ordered an inspection into the affairs of the company, said a senior government official. The probe was triggered after auditors of the power equipment maker resigned a few months ago.

SAVE WATER || SAVE UNIVERSE

Knowledge shared= Knowledge^2

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About Scribbler

PRADEEP GOYAL

- **Fellow Member** of the Institute of Chartered Accountants of India.
- **Associate member** of Professional Accounting Body of Certified Practising Accountants (CPA), Australia.
- **CFA (Corporate Finance)**- Columbia Business School, USA | EMERITUS Institute of Management, Singapore.
- **Certified Goods & Service Tax Practitioner** from ICAI & Ministry of Micro, Small & Medium Enterprises, Government of India.

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Connect

pradeep@pgaa.in

+91-9811777103

http://www.pgaa.in

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