

THE DAILY LIFELINE

Official Newsletter of Diucon



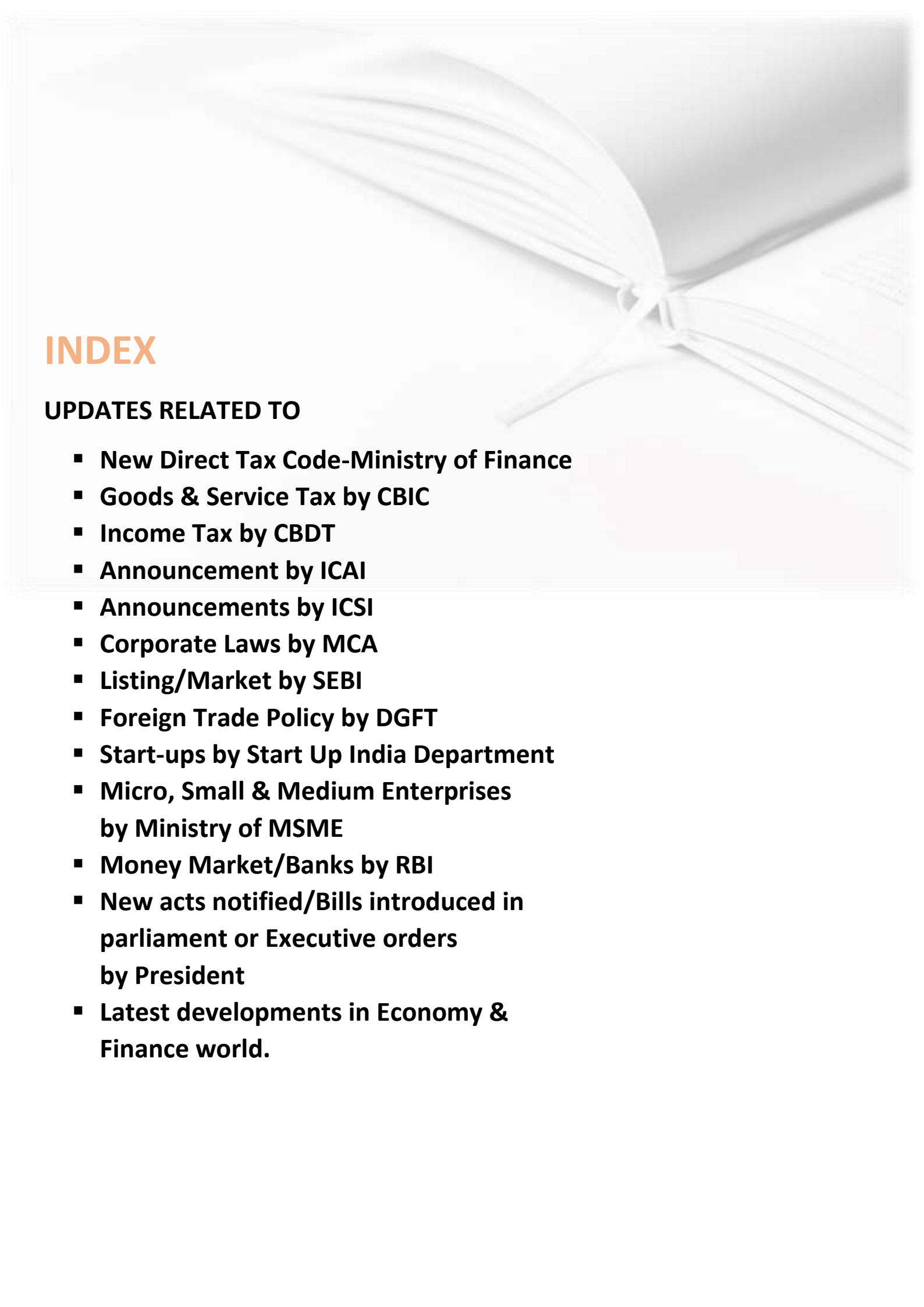
WHAT'S NEW IN PROFESSIONAL/ BUSINESS WORLD TODAY:

Goods & Service Tax
Direct Tax Code
Income Tax
Economy | Finance

BIGGEST CHALLENGE- HOW TO KEEP UPDATED ON DAILY BASIS

By Pradeep Goyal, FCA | ACPA, Australia

Laws are changing frequently in India, there are big developments and announcements on daily basis in Economic & Finance world and many other reforms are on the way. This newsletter will keep you updated on daily basis along with documents taken from authentic sources.



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UPDATES RELATED TO

- **New Direct Tax Code-Ministry of Finance**
- **Goods & Service Tax by CBIC**
- **Income Tax by CBDT**
- **Announcement by ICAI**
- **Announcements by ICSI**
- **Corporate Laws by MCA**
- **Listing/Market by SEBI**
- **Foreign Trade Policy by DGFT**
- **Start-ups by Start Up India Department**
- **Micro, Small & Medium Enterprises by Ministry of MSME**
- **Money Market/Banks by RBI**
- **New acts notified/Bills introduced in parliament or Executive orders by President**
- **Latest developments in Economy & Finance world.**



Updates related to New Direct Tax Code-Ministry of Finance

- ❖ **One of the major recommendation of Task Force on Direct Tax Code is to abolish tax on long-term capital gain arising from transfer of listed securities.** The Finance Act, 2018 has withdrawn the exemption under section 10(38) of the Income-tax Act, 1961 and has introduced a new section 112A which provides that long-term capital gains (LTCG) arising from transfer of a long-term capital asset, being an equity shares or specified units, shall be taxable at the rate of 10% if such capital gains exceed Rs. 1 lakh. The task force recommended to remove such tax in the new Income-tax law.



Updates related to Goods & Service Tax by CBIC

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

- ❖ CBIC issued its GST weekly updated dated 24.08.2019 which supplements its last Update dated 10.08.2019. No GST Update was released on 17.08.2019 as no notification/ circulars were issued during the preceding week. This weekly update in the form of Presentation which covers the GST changes / observations/ press releases/ Tweet FAQs/ Sectoral FAQs released by CBIC every week.

[\[Get your copy here\]](#)

- ❖ Government extended due date of filing GSR Annual Return from 31st August, 2019 to 30th November, 2019”.

[Download CGST (Seventh Removal of Difficulties) Order, 2019- [Order No. 7/2019-Central Tax dated 26th August, 2019](#)]



Do you know why Government extended this date by issuance of Special order called “Removal of Difficulty Order- ROD” instead of issuing a Non-Tariff Notification?

Provisions of annual return governed by section 44 of CGST Act, 2017 which mandate filing of return on or before the thirty-first day of December following the end of financial year.

As last date of filing is provided in the act itself, Government can't change the date by issuing Non-Tariff Notification. For such special cases, Section 172 empowers Government to use its powers, on the recommendations of the Council, if any difficulty arises in giving effect to any provisions of this Act, by a general or a special order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act or the rules or regulations made thereunder, as may be necessary or expedient for the purpose of removing the said difficulty, with below conditions-

- a) Powers u/s 172 can be used only within three years from the date of commencement of this Act.
- b) Every order made under this section shall be laid, as soon as may be, after it is made, before each House of Parliament.

History of extensions for Financial Year 2017-2018

- Original last date of filing as per section 44 (31st December following the end of financial year) 31.12.2018
- First extension to 31.03.2019
([By ROD Order No. Order No. 1/2018-Central Tax 11th December, 2018](#))
- Second extension to 30.06.2019
([By ROD Order No. Order No. 3/2018-Central Tax 31st December, 2018](#))
- Third extension to 31.08.2019
([By ROD Order No. Order No. 6/2019-Central Tax 28th June 2019](#))

▪ 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 412 IMF Cognitive Technology (P.) Ltd, Order No. RAJ/AAAR/01/2019-20, MAY 8, 2019	Appellate Authority for Advance Ruling, Rajasthan	Advance Ruling Appeal Order	Persons Registered in a particular State can't claim credit of GST paid on hotel services availed in other State

Sr.No.	Key to find the document	Court/ARA/AAAR	Description	
			Ruling/Judgement	Summary
2	[2019] 108 taxmann.com 406 Kailash Chandra. Order No. RAJ/AAAR/02/2019-20 May 15, 2019	Appellate Authority for Advance Ruling, Rajasthan	Advance Ruling Appeal Order	Activities of supply, design, installation, commissioning and testing of solar energy based water pumping systems, whose time of supply falls after 31-12-2018, are both supply of Goods and supply of Services in terms of entry No. 234 ibid, read with entry No. 38 ibid, with rate of GST as prescribed under these entries
3	[2019] 108 taxmann.com 377 (Patna) Commercial Steel Engineering Corporation v. State of Bihar CIVIL WRIT JURISDICTION CASE NO. 2125 OF 2019, JUNE 27, 2019	High Court of Patna	Judgement	Where assessee was not entitled to transitional credit, at best, claim could be rejected but such rejection of claim for transitional credit does not bestow any statutory jurisdiction upon Assessing Authority to correspondingly create a tax liability especially when neither any such outstanding liability exists nor such credit has been put to use

Sr.No.	Key to find the document	Court/ARA/AAAR	Description	
			Ruling/Judgement	Summary
4	[2019] 107 taxmann.com 441 (Kerala) QRS Retail Ltd. v. Commissioner Central GST Commissionerate W.P. (C) NO. 7817 OF 2019 JUNE 18, 2019	High Court of Kerala	Judgement [Order copy here]	Where assessee filed writ petition seeking directions to Competent Authority to permit it to amend Form GST TRAN-1 and to claim eligible credit towards central tax, Competent Authority was directed to do everything needful and complete entire exercise including refund of amount to assessee

▪ News/Latest Developments/Other updates

- ❖ Auto LPG industry seeks alternate fuel policy, lower GST rates. [Read here](#)
- ❖ GST regime proving to be troublesome for States. [Read here for more](#)
- ❖ Road ministry seeks GST rate cut for hybrid cars and CNG vehicles. [Read here](#)
- ❖ GST has made tobacco products only marginally costlier. [Read here](#)
- ❖ Realtors seek cheaper loans and uniform GST norms to revive sector. [Read here](#)
- ❖ 22 more tax officers sacked for graft, misconduct. [Read here](#)

▪ Few other updates for Indirect taxes

- ❖ CBIC issues FAQs for Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 for Service Tax and Central Excise.
 - [Here is Hindi version](#)
 - [Here is English Version](#)



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] 108 taxmann.com 123 Baljit Singh v. ITO, Ward-3(2), Ludhiana IT APPEAL NO. 986 (CHD.) OF 2018 JULY 3, 2019	Chandigarh Tribunal	Where AO made addition to assessee's income under section 68 in respect of amount deposited in bank, in view of fact that assessee had withdrawn those funds from his bank account four months ago for purchase of a property and, since, transaction relating to purchase of said property did not materialise, he re-deposited funds in question in his bank account, impugned addition was to be deleted
2	[2019] 108 taxmann.com 116 CIT v. Salgaocar Mining Industries (P.) Ltd. TAX APPEAL NO. 4 OF 2018, JULY 9, 2019	Mumbai High Court	Where assessee made contribution to State Government towards construction of a bridge which would be used by assessee for transportation of its goods, since bridge was not owned by assessee and assessee, by spending for construction of new bridge, had not acquired any property or right of permanent character, amount paid by assessee was to be treated as revenue expenditure

▪ News/Latest Developments/Other updates

- ❖ Abolish income tax, hike FD interest, cut it on loans: Subramanian Swamy. [Read here](#)
- ❖ ITR filing: How to maximise your income tax refund. [Read here](#)



Updates related to Announcement by ICAI

- ❖ Registration Open for the Certificate Course on ADR (Arbitration, Mediation & Conciliation) at Delhi on August-September, 2019
- ❖ DAAB of ICAI organising 3 days Hands on Session on PRACTICAL GUIDE TO ISA on 27-29 September, 2019 at Noida.
- ❖ DAAB of ICAI organizing "ICAI Course on Block Chain Technology for Professional Accountants" at Ghaziabad from October 05, 2019.

[\[Visit here for more details\]](#)



Updates related to Announcement by ICSI

- ❖ Registration Form for Recruiter to participate in CS Trainee Drive (II).
[Download here](#)
- ❖ Registration Form for Students, for upcoming CS Trainee Drive (II) -
[Download here](#)



Updates related to Corporate Laws by MCA

- ❖ As per the Companies (Incorporation) Fourth Amendment Rules, 2018 dated 18th December 2018 a new form i.e., 'RD GNL-5' and changes to 'RD-1' (Application by specified companies to follow different accounting Year-Section 2(41) of companies act, 2013) has been notified. Both forms would be made available shortly on MCA21 Company Forms Download page for filing purposes. Stakeholders are advised to check the latest version before filing.



Updates related to Start-ups by Start Up India Department

- ❖ En route to 50,000 registered start-ups: Union minister Piyush Goyal. [Read here](#)
- ❖ ASSOCHAM, in association with Government brings to you "ASSOCHAM Launchpad - An Elevator Pitch Series" in 12 different cities, to give Start-ups a platform to connect with Industry's best business leaders. [Register here](#)
- ❖ There's opportunity in sustainability! Pitch your sustainable business solutions that can transform the way we optimise mobility & energy storage by entering 'MNRE Start-up Grand Challenge' & win cash grants up to INR 10 Lakh.

[Read here for more](#)

- ❖ Started in 2012 by GV Rao, Vijayawada-based Learning Space provides digital learning solutions to UPSC aspirants at affordable costs. [Read here](#)
- ❖ ULink AgriTech, an agricultural Start-up based in Maharashtra, is preparing to expand nationwide by 2022. With its smartphone app, agrostar which has 2 Million users, the company is working to raise the productivity of India's farmers. [Read here for more](#)



Updates related to Money Market/Banks by RBI

- ❖ **RBI Central Board accepts Bimal Jalan Committee recommendations and approves surplus transfer to the Government**

The Central Board of the Reserve Bank of India (RBI) today decided to transfer a sum of ₹1,76,051 crores to the Government of India (Government) comprising of ₹1,23,414 crore of surplus for the year 2018-19 and ₹52,637 crore of excess provisions identified as per the revised Economic Capital Framework (ECF) adopted at the meeting of the Central Board today.

[\[Full report here\]](#)

- ❖ **Trade War: Is it a prelude to deglobalisation?**

(Shri B.P Kanungo, Deputy Governor - August 10, 2019 - Forex Association of India Conference, Singapore).

[Read full speech here](#)



Updates related to Latest developments in Economy & Finance world

- ❖ HNIs using remittances plan to evade taxes: SIT. [Read here](#)
- ❖ Govt may contain Fiscal Deficit at 3% in FY 20 After RBI's Surplus Transfer. [Read here](#)
- ❖ FM sitharaman's measures will boost near-term sentiment, but turnaround still some time away. [Read here](#)
- ❖ Modi Govt has finally embraced the reality of Indian economy's troubles. [Read here for more](#)
- ❖ Panel to take decision within 60-days under tax amnesty scheme: CBIC. [Read here](#)
- ❖ Take-home salary may rise under new employees' provident fund law. [Read here](#)

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A man with dark, wavy hair and a light beard is shown from the chest up. He is wearing a grey textured suit jacket over a dark blue shirt and a patterned tie. His hands are clasped together in front of him, and he is wearing a black watch with a silver-toned face on his left wrist. He is looking slightly to the right of the camera with a serious expression. The background is blurred, showing what appears to be a bookshelf.

- ❖ **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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