

THE DAILY LIFELINE

Official Newsletter of Diucon



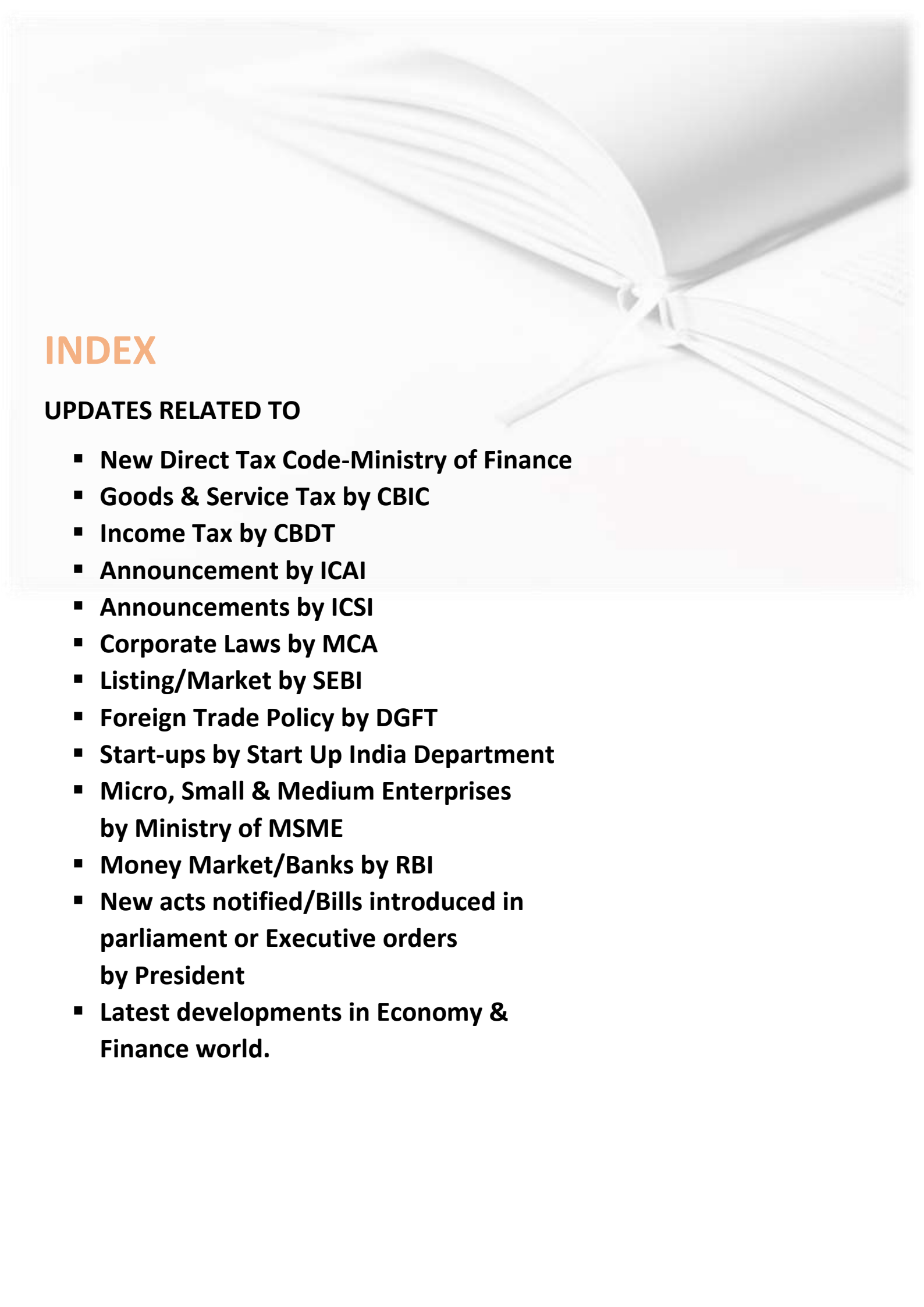
WHAT'S NEW IN PROFESSIONAL/ BUSINESS WORLD TODAY:

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.



INDEX

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

DIRECT TAX CODE IN NEWS

❖ Direct Tax Code: Is this the reform market is waiting for?

In case, the new law recognizes FPIs as separate category of tax payers' to be uniformly taxed irrespective of being organized a trust or a company it could help in stabilizing the markets. [Read here for more](#)

❖ Will Your Income Tax Change? New Report Given to Finance Ministry

The proposed tax system intends to rationalise tax slabs in a bid to revive the economy by enhancing the people's spending power and boosting consumption. [Read here for more](#)

सीबीडीटी के सदस्य अखिलेश राजन की अगुवाई में सरकार द्वारा गठित प्रत्यक्ष कर संहिता कार्यबल ने लोगों के लिए नए कर शासन की सिफारिश की है। इसमें 58 साल पुराने आयकर अधिनियम में नाटकीय बदलाव की सिफारिश की गई है। अगर इस उच्चस्तरीय कार्यबल की सिफारिशों को स्वीकार कर लिया जाता है, तो 5 लाख से 10 लाख रुपये सालाना कमानेवाले को 10 फीसदी आयकर देना होगा। आईएनएस को पता चला है कि निजी आयकर के स्लैब में आमूलचूल बदलाव प्रस्तावित किए गए हैं। इनमें 10 लाख से 20 लाख रुपये तक के सालाना निजी आय पर 20 फीसदी कर का प्रस्ताव है।



Updates related to Goods & Service Tax by CBIC

▪ 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 486 ORDER NO. 30/ARA/2019	Authority for Advance Rulings, Tamilnadu	Advance ruling	AAR rejects advance ruling application due to non-submission of technical details of goods supplied by applicant

Sr.No.	Key to find the document	Court/ARA/AAAR	Description	
			Ruling/Judgement	Summary
2	[2019] 108 taxmann.com 483 S.P. Jeyapragasam (HUF) ORDER NO. 28/ARA/2019 JULY 25, 2019	Authority for Advance Rulings, Tamilnadu	Advance Ruling	Applicant filed an application seeking Advance Ruling on rate of tax and HSN Code for fruit beverages or drinks with HSN Code, however, submitted that they are not willing to proceed further in the said application due to personal reasons and therefore requested to withdraw their application. Thus, application was to be dismissed as withdrawn
3	[2019] 108 taxmann.com 484 Chennai Port Trust ORDER NO. 35/AAR/2019 JULY 26, 2019	Authority for Advance Rulings, Tamilnadu	Advance Ruling	Interest, late fee or penalty received in GST regime w.r.t. services rendered before 01.07.2017 are liable to GST.
4	[2019] 108 taxmann.com 468 Christy Fried Gram Industry ORDER NO. 36/ARA/2019 JULY 26, 2019	Authority for Advance Rulings, Tamilnadu	Advance Ruling	Supply of 'Complementary Weaning Food containing Amylase activity' and transportation at specified destinations as per bid/agreement is a composite supply liable to GST at 5 per cent

- **News/Latest Developments/Other updates**
- ❖ **Why the Government should waive off GST Return as opposed to extending deadlines**

Over the last two years, the focus of the tax payers has shifted from managing their business to tackling the compliance issues over the modest GST Portal.
[Read here for more](#)
- ❖ **Rail wagon makers buck the trend, seek higher GST**

Inputs are levied GST of 5% and 18%, leading to an inverted duty structure as hundreds of crores of rupees in input tax credit are stuck, the companies say.
[Read here for more](#)
- ❖ **WB FM calls for tough steps to fix GST frauds**

West Bengal FM Amit Mitra has expressed deep concern over the cases of GST frauds and shot off a letter to union finance minister calling for put in place a robust reporting system to generate real time tax alerts on detection of any suspicious and fraudulent transactions. [Read here for more](#)
- ❖ **Companies in co-working spaces can get GST**
[Read here for more](#)
- ❖ **GST Officials Arrest Maharashtra Businessman for Rs. 24.55 Crore Tax Fraud**

Acting on specific inputs, searches were conducted at three firms of businessman Bhavin Bharat Shah during which incriminating documents were found. [Read here for more](#)
- ❖ **No GST on everyday items like milk and meat**

As a consumer, it's important to know what's the right GST amount you need to pay, and which items are exempt from GST altogether Here are a few everyday items, across three categories, on which you don't need to pay GST.
[Read here for more](#)

❖ **Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 for Service Tax and Central Excise**

Cases that will be covered under the scheme



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 473 IT APPEAL NO. 6252 (DELHI) OF 2012 AUGUST 23, 2019	Delhi Tribunal	Sum received for providing support services taxable as FTS if it satisfied make available clause: ITAT

Sr.No.	Key to find the document	Description	
		Tribunal/Court	Brief judgement
2	[2019] 107 taxmann.com 306 IT APPEAL NOS. 2489, 2792 (DELHI) OF 2015 & 570, 716 (DELHI) OF 2016 [ASSESSMENT YEARS 2010-11 AND 2012-13] MARCH 20, 2019	Delhi Tribunal	Where assessee had claimed credit for tax deducted at source on interest income from bank, yet it had not declared corresponding interest income to tax, in view of fact that assessee was regularly following mercantile system of accounting, interest income in question was liable to be taxed in assessment year in question itself and, thus, impugned addition made by Assessing Officer was to be confirmed

▪ **News/Latest Developments/Other updates**

❖ **CBDT clarifies differential regime between domestic investors (including AIF category III) and FPIs existed even prior to General Budget 2019 and was not creation of the Finance (No. 2) Act, 2019**

In this regard, CBDT has further stated that in case of Foreign Institutional Investors (FPIs), Income Tax Act, 1961 (the Act) contains special provisions [section 115AD read with section 2(14) of the Act] for taxation of income from derivatives. Under this regime, income of FPIs arising from derivatives was treated as capital gains and liable for special rate of tax as per section 115AD of the Act. However, income arising from derivatives for the domestic investors including Alternative Investment Funds (AIFs) category-III as well as for foreign investors who are not FPIs, has always been treated as business income and not as capital gains, and taxed at applicable normal income tax rates. The differential regime therefore already existed for FPIs through Section 115 AD. Therefore, to say that General Budget 2019 or FM's announcement on 23rd August 2019 created a differential regime between FPI and domestic investor is incorrect.

[\[Ministry of Finance Press Release\]](#)

- ❖ Government notifies amended Convention and Protocol between the Republic of India and the Kingdom of Spain for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on income and on Capital.

[\[Download gazetted copy here\]](#)



Updates related to Announcement by ICAI

- ❖ PDC of ICAI organize 3rd Batch of 5 days Residential Programme at IIM Ahmedabad as Advanced Leadership Programme for Chartered Accountants 7th October – 11th October, 2019.

[\[Detail here\]](#)



Updates related to Corporate Laws by MCA

- ❖ **MCA issues companies (Incorporation) Seventh Amendment Rules, 2019 vide notification dated 29th August 2019 and will be effective from date of publication in official gazette.**

New forms RD-I Form for filing “application to Regional Director” and RD GNLS “Form for filing addendum for rectification of defects or incompleteness” notified.

[\[Notification here\]](#)



Updates related to Foreign Trade Policy by DGFT

- ❖ **Insertion of a new policy condition under Chapter 87 of ITC (HS), 2017-Schedule-1 (Import Policy).**

Central Government inserts a new policy condition regarding registration of vehicles imported by the vehicle manufacturers or through their authorized representatives in India or by the organisation/citizen for personal use, demonstration, testing, research or scientific use etc., shall comply with SOPs issued under [Central Motor Vehicles \(11th Amendment\) Rules, 2017](#). Which says such vehicles shall be fitted with FASTag as may be specified by the Central Government, from time to time and FASTag means an on-board unit (transponder) or any such device fitted on the front windscreen of the vehicle.

[\[Read here Notification no. 14 dated 28.08.2019 by MOCI\]](#)

- ❖ **Amendment of import policy of polymethyl methacrylate under Exim code 39169032 of ITC (HS) 2017-Schedule-1 (Import Policy).** [Notification here](#)

- ❖ **Enlistment under Appendix 2E to issue Certificate of Origin (Non-Preferential) and Change of Office Address (location).**

Amendment in list of agencies authorized to issue certificate of origin (Non-preferential) [Notification here](#)



Updates related to Start-ups by Start Up India Department

- ❖ HDFC Bank is looking for thriving FinTech Start-ups that can use innovative disruptive technology ideas for the BFSI Sector. The bank is conducting 4th edition of its Digital Innovation Summit (DIS) in Jaipur on 4th October, 2019. [Register here](#)
- ❖ "Entrepreneur First, a pioneering UK-based global talent investor, celebrated the inaugural India Investor Day. 13 Start-ups from India, Singapore & Hongkong showcased their ideas & companies to 150 investors. India's 1st cohort had 6 start-ups presenting. [Read here for more](#)
- ❖ Indian bike-taxi Start-up, rapido raise INR 390 Crore in Series-B funding round. [Read here for more](#)
- ❖ The India-Netherlands Technology Summit 2019, to be held at JW Marriot, Aerocity in New Delhi on 15-16 October 2019, is the 25th edition of the iconic annual conference-cum-exposition organised jointly by the Confederation of Indian Industry (CII) and Department of Science & Technology (DST), Government of India. It celebrates the existing Science, Technology and Innovation partnerships between India and the Netherlands. [Read here for more](#)
- ❖ Venture capital firms are rushing to snap up Start-ups early by launching separate seed-stage funds, specialised accelerators & mentorship programmes, in a hyped up deal-making market. [Read here for more](#)
- ❖ India and Israel strengthen bond between their start-up ecosystem. [Read here full story](#)
- ❖ A buzzing Start-up hub in the making: Indore rises to make a mark in the Indian ecosystem. [Read here](#)

- ❖ Recko, a FinTech Start-up that enables AI-powered reconciliation of digital transactions, raises further capital from marquee global & Indian investors. [Full story here](#)
- ❖ [Funding alert] Retail AI start-up Vedalabs raises pre-Series A funding from Satin Neo Dimensions. With this funding, Gurugram-based Vedalabs plans to expand its product capabilities into intelligent store fit outs as well as scale the current products to store-level analytics. [Read here](#)
- ❖ Indian start-ups, ranging from Fintech, AgriTech to Robotics, saw 108% growth in funding in 2018. The ecosystem is perfect - all that's left to do is be a part of it! [Learn more here](#)



Updates related to Micro, Small & Medium Enterprises by Ministry of MSME

- ❖ Ministry organise National Entrepreneurship Awards 2019. [Read announcement here](#)



Updates related to Latest developments in Economy & Finance world

- ❖ The Union Cabinet chaired by the Prime Minister Shri Narendra Modi has approved the proposal for Review of Foreign Direct Investment on various sectors. [Read here for more](#)
- ❖ Cabinet approves Sugar export policy for evacuation of surplus stocks during sugar season 2019-20. About 60 lakhs tons sugar to be exported this financial year [Read here for more](#)
- ❖ FDI norms eased for single brand retail, digital media, manufacturing. [Read here for more](#)

[*Click here for your feedback and suggestions on this daily newsletter, it will help me to improve and provide you more valuable information.*](#)

SAVE WATER || SAVE UNIVERSE

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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 with a serious expression. The background is a blurred 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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