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THE DAILY LIFELINE

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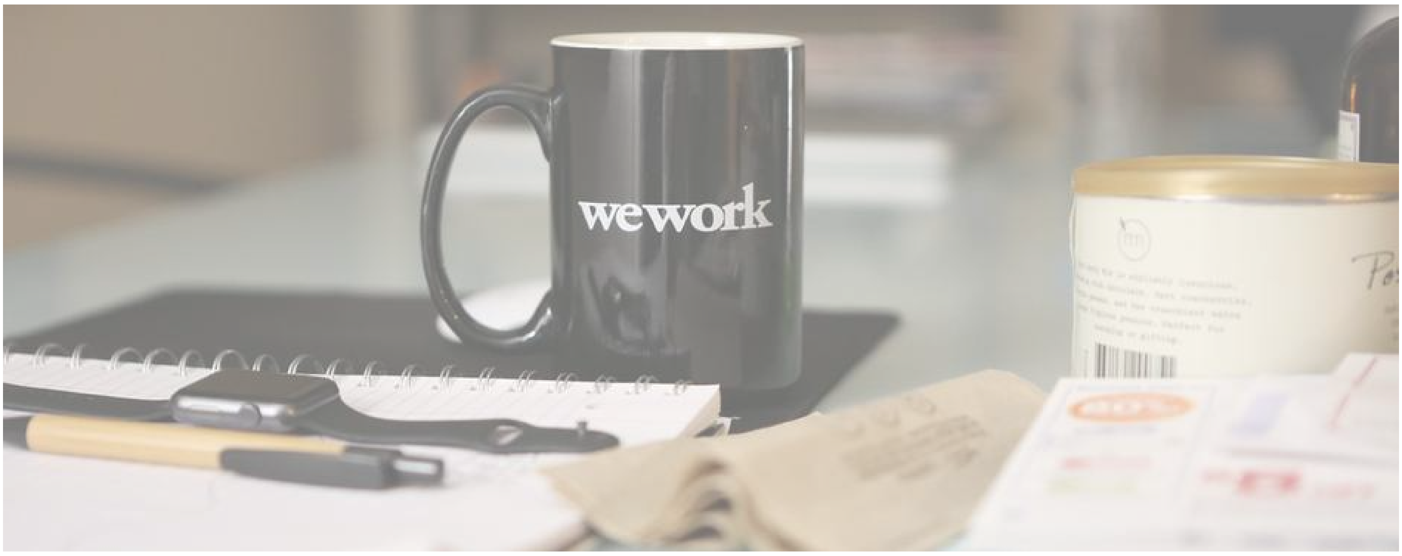

WHAT'S NEW IN PROFESSIONAL/ BUSINESS WORLD TODAY:

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

- **CBDT member Akhilesh Ranjan, who led direct tax code panel, seeks voluntary retirement.**
  Ranjan has also played a key role in India's efforts to bring digital economy firms into the tax net including by way of the equalisation levy introduced in 2016.
  [Read live mint report here]

- **Direct Tax Code: Task Force Recommends Cutting Income Tax by Half for those earning between Rs 5 Lakh and Rs 10 Lakh.**
  The Direct Tax Code task force's recommendation to cut the tax rate by half for taxpayers earning between Rs 5 lakh and Rs10 lakh a year might bring major relief to the middle classes. While this is just a recommendation that the government can accept or reject, it has given the middle-classes a reason to cheer.
  [Swarajya magazine report]

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 538 ADVANCE RULING NO. GUJ/GAAR/R/10/2019 JUNE 27, 2019	Authority for Advance Rulings, Gujarat	Advance Ruling	Where applicant was providing loans for which consideration was only interest not charging any processing fees/ other charges, such services by way of extending loans or advances by applicant be eligible for exemption under sub entry (a) of entry 27 of NN 12/2017-Central Tax (Rate)

Sr.No.	Key to find the document	Court/ARA/AAAR	Description	
			Ruling/ Judgement	Summary
2	[2019] 108 taxmann.com 536 Aditya Birla Nuvo Ltd., In re ADVANCE RULING NO. GUJ/GAAR/R/2018/05 MARCH 4, 2019	Authority for Advance Rulings, Gujarat	Advance Ruling	Supply of principal goods/services along-with freight and insurance is a composite supply as defined under section 2(30) of the CGST Act, 2017
3	[2019] 108 taxmann.com 523 (Rajasthan) Indo Autotech Ltd., In re ADVANCE RULING NO. RAJ/AAR/2019-20/14 JULY 8, 2019	Authority for Advance Rulings, Rajasthan	Advance Ruling	Applicant sought Advance Ruling on whether it is eligible to avail input tax credit of GST paid on long term lease of industrial plots taken from developer, however, during personal hearing submitted that it has more clarification regarding issues they raised in application and therefore requested to withdraw its advance ruling application. Therefore, since applicant has withdrawn application, therefore no ruling is given

Sr.No.	Key to find the document	Court/ARA/AAAR	Description	
			Ruling/ Judgement	Summary
4	[2019] 108 taxmann.com 535 Jayesh Anilkumar Dalal, In re ADMISSION ORDER NO. GUJ/GAAR/R/08/2019 MAY 1, 2019	Authority for Advance Rulings, Gujarat	Advance Ruling	Where applicant-company is providing consultancy services in field of structural, architectural and project management consultancy covered under SAC 998331 intrastate as well as interstate to Local Authorities, Urban Development Authority etc., services provided by it do not involve any supply of goods and, hence, services appear to be falling in definition of 'Pure Services' and applicant is eligible for exemption from Goods and Service Tax as per SI. No. 3 (Chapter 99) of Notification No. 12/2017-Central Tax (Rate) dated 28-6-2017
5	[2019] 108 taxmann.com 226 (SC) SLP (Civil) 35597 of 2018	Supreme Court of India	Judgement	Substantial delay in filing an appeal couldn't be condoned, where reason is un-explained: SLP dismissed

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

❖ CBIC issued a presentation on Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 for Service tax and Central Excise. [Download here]

🕮 Updates related to Income Tax by CBDT

- **Notification/Circular/Press release/FAQs**

❖ CBDT, Ministry of Finance issues clarification on applicability of Tax Deduction at Source on cash withdrawals

From 1st September, 2019, new section 194N been inserted in Income Tax Act which provide for levy of tax deduction at source (TDS) @2% on cash payments in excess of one crore rupees in aggregate made during the year, by a banking company or cooperative bank or post office, to any person from one or more accounts maintained with it by the recipient.

Any cash withdrawal prior to 1st September, 2019 will not be subjected to the TDS under section 194N of the Act. However, since the threshold of Rs. 1 crore is with respect to the previous year, calculation of amount of cash withdrawal for triggering deduction under section 194N of the Act shall be counted from 1st April, 2019. Hence, if a person has already withdrawn Rs. 1 crore or more in cash up-to 31st August, 2019 from one or more accounts maintained with a banking company or a cooperative bank or a post office, the two per cent TDS shall apply on all subsequent cash withdrawals.
[Read Ministry of Finance Press Release]

❖ Government issued Income–tax (Fifth Amendment) Rules, 2019 with effect from 1st day of September, 2019 wherein new sub-rules 1A and 1B inserted in Rule 114-

(1A) Any person, who has not been allotted a permanent account number but possesses the Aadhaar number and has furnished or intimated or quoted his Aadhaar number in lieu of the permanent account number in accordance with sub-section (5E) of section 139A, shall be deemed to have applied for allotment of permanent account number and he shall not be required to apply or submit any documents under this rule.

(1B) Any person, who has not been allotted a permanent account number but possesses the Aadhaar number may apply for allotment of the permanent account number under sub-section (1) or subsection (1A) or sub-section (3) of section 139A to the authorities mentioned in sub-rule (2) by intimating his Aadhaar number and he shall not be required to apply or submit any documents under this rule.

[CBDT notification no. G.S.R. 614(E) dated 30.08.2019]

❖ CBDT constitutes Start-up Cell for redressal of grievances related to Start-ups

One of the measures pertaining to taxation announced by government was the withdrawal of 'Angel Tax' provisions for Start-ups and their investors. As part of the measures for mitigating the genuine difficulties of Start-ups, it was decided that a dedicated cell would be set up under a Member of CBDT for addressing the specific problems of Start-ups.

Grievances relating to Start-ups may be filed with the O/o Under Secretary, ITA-I, Room No.245A, North Block, New Delhi – 110001 as well as online at startupcell.cbdt@gov.in. The Cell will also be accessible telephonically on 011-23095479 /23093070 (F).

[Ministry of Finance Press Release]

- **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 220 Global Entropolis (Vizag) (P.) Ltd. v. ACIT, Central Circle- 3 (1) (2), Bengaluru IT APPEAL NOS. 2927 & 2928 JULY 12, 2019	Bangalore Tribunal	Where assessee earned interest from bank deposits and loans given to other related parties and claimed same as business income, since assessee had failed to demonstrate that such advancing of loan or depositing of money in bank was done as part of its business activities, impugned interest income was to be taxed as 'income from other sources'

Updates related to Announcement by ICAI

- ICAI issues Exposure Draft of the Guidance Note on Division III to Schedule III to the Companies Act 2013 for NBFC (Comments to be received by September 8, 2019). [Read here the draft]

- Message of CA. Prafulla P. Chhajed, President, ICAI- September 2019 [Read here]

Updates related to Announcement by ICSI

- ICSI informs students that SRL Diagnostics has agreed to give special discounted rates to the ICSI students on routine and specialized test from SRL. The details of are here

Updates related to Corporate Laws by MCA

- CCI needs careful oversight on data to prevent amassing of power in one conglomerate in market: NITI Aayog Vice-Chairman. [read here for more]

Updates related to Start-ups by Start Up India Department

- CBDT constitutes Start-up Cell for redressal of grievances related to Start-ups. Read here for more

- Vedantu learn, a Bangalore-based Start-up that operates an online tutoring service, has raised USD 42 Million as it races to expand its reach in the nation. Read here for more

- Duped by a broker, this IIM Calcutta alumnus started a proptech start-up to ease the home buying process Read here

- EdTech Start-ups to pitch live and attract 50+ funding sharks at the live Edupreneur Village Challenge tomorrow in New Delhi. Read here

- Renewable Energy Is a Hot Spot for Start-up and Investment Opportunities. Read here

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

- Government e Marketplace (GeM), Department of Commerce, Ministry of Commerce and Industry has signed an MoU with Small Industries Development Bank of India [SIDBI] to benefit MSMEs, women entrepreneurs, Self Help Groups (SHGs), Women Self Help Groups and various loan beneficiaries under MUDRA and Stand-up India scheme. Read here

Updates related to Money Market/Banks by RBI

- RBI issues notification- Amendment to Master Direction on Issuance and Operation of Prepaid Payment Instruments (PPIs). Read here

- RBI issues FAQs on Partial Credit Guarantee Scheme Offered by GoI to PSBs for purchasing high-rated pooled assets from NBFCs/HFCs. Read here

- RBI releases data on ECB / FCCB/RDB for July 2019. Read here

Updates related to Latest developments in Economy & Finance world

- UNION MINISTER OF FINANCE & CORPORATE AFFAIRS SMT. NIRMALA SITHARAMAN'S PRESENTATION ON AMALGAMATION OF NATIONAL BANKS. [GET FULL PRESENTATION HERE]

- MERGER OF PSBS: MOVE TO IMPROVE EFFICIENCY, BARGAINING POWER, SAYS INDUSTRY

- MERGER WILL PUT TOGETHER BANKS' STRENGTH: ANDHRA BANK'S J PACKIRISAMY

- MERGER WILL CREATE FOURTH LARGEST PUBLIC SECTOR BANK: SYNDICATE BANK MD

- FM SITHARAMAN'S BANK MERGERS STEP WILL MAKE RESOLUTION PROCESS EASIER

- THERE WILL BE NO LOSS OF EMPLOYMENT AFTER MERGER OF PSBS: SANKARA NARAYANAN

- MEET BIMAL JALAN, THE GO-TO ADVISOR ACROSS THE POLITICAL SPECTRUM

Knowledge shared= Knowledge^2

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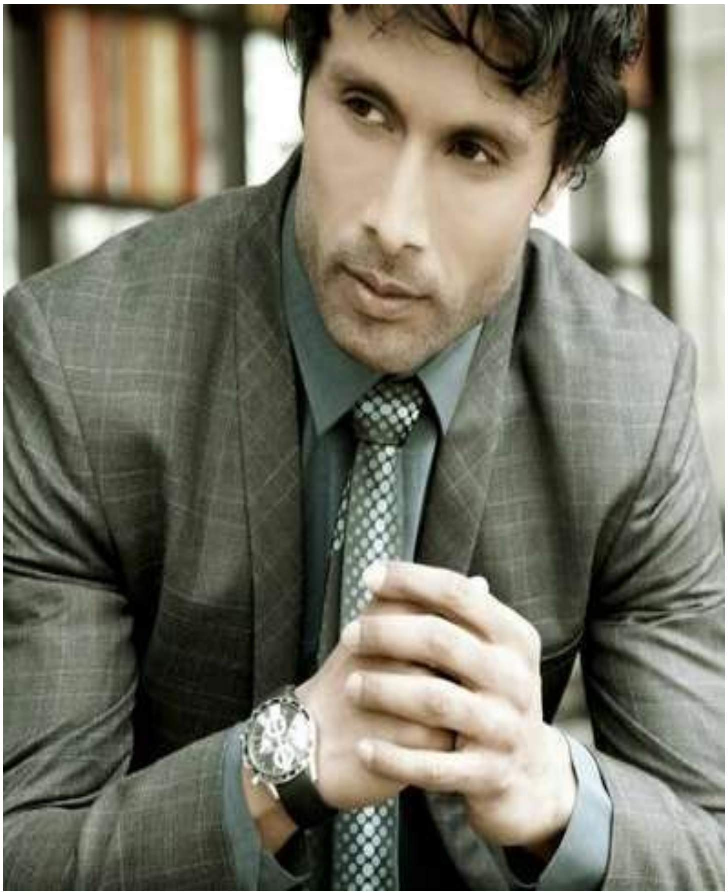

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Profile Page

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