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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

Updates related to New Direct Tax Code-Ministry of Finance

- Government postpones implementation of Direct Tax Code for now as timing of policy changes is vital, businesses may not prefer to have radical changes in law to coincide with economic uncertainty.

Updates related to Goods & Service Tax & other Indirect taxes by CBIC

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

  - **Know everything about cancellation of GST registration**
    Read this detailed yet simplified write up by DGTP-CBIC

  - **CBIC advisory for disposal of Seized/Confiscated Foreign Origin Liquor**
    CBIC directed Principal Commissioner of customs to constitute Liquor Disposal Committee and issued advisory for disposal of Seized/Confiscated Foreign Origin Liquor by custom department.
    [CBIC-Investigation (Custom) Circular No. 30/2019 dated 11.09.2019]

- **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 286 State of Kerala v. West Bengal Lottery Stockists W.A. NO. 1228 JULY 19, 2019	High Court of Kerala	Judgment	Additional documents other than prescribed documents cannot be demanded with respect to GST registration application. [Provisions discussed- Section 25 of CGST Act, 2017 read with rules 8 & 9 of the CGST Rules, 2017

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

- **Finance panel to meet GST Council at Goa conclave**
  May discuss revenue position, compensation framework for revenue shortfall
  The GST Council will interact with the Finance Commission during its September 20 meeting at Goa. The Hindu Business Line Report

- **GST Council likely to waive off annual returns for small taxpayers to ease compliance burden**
  In a bid to ease the compliance burden for small taxpayers, the upcoming GST Council meeting is likely to waive off the mandatory requirement to file GST annual returns for taxpayers below annual turnover of Rs 2 crore. GST Council in its meet on September 20 will consider the proposal to do away with the compliance of filing annual GST Returns -- GSTR9, GSTR9A and GSTR9C, for the financial year 2017-18, 2018-19 for taxpayers below the threshold of the annual turnover of Rs 2 crores. CNBC-TV18 report

- **Companies in a fix as GST, IBC rules clash, may move court.**
  Firms unable to pay current taxes without clearing earlier ones, but under IBC the tax department has to wait until all creditors get their dues. ET Report

- **Auto crisis due to overproduction by players, GST relief not required: Rajiv Bajaj**
  Contrary to the increasing clamour for a GST rate cut from the automobile makers, Bajaj Auto's Managing Director Rajiv Bajaj believes the crisis in the sector is of its own making and a tax rate reduction is not required. This statement comes just ahead of the GST Council meeting in Goa next week, while the $119 billion industry accounting for over 7 per cent of the country's GDP is in the midst of an unprecedented slowdown. The sector saw sales plummet 23.5 per cent in August, the worst record in the past two decades.
  Business today report

Updates related to Income Tax by CBDT

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

- **Relaxation of Time-Compounding of Offences under Direct Tax Laws-One-time Measure.**
  CBDT The Central Board of Direct Taxes (CBDT) has been issuing guidelines from time to time for compounding of offences under the Direct Tax Laws, prescribing the eligibility conditions.

One of the conditions for filing of Compounding application is that, it should be filed within 12 months from filing of complaint in the court. With a view to mitigate unintended hardship to taxpayers in deserving cases, and to reduce the pendency of existing prosecution cases before the courts, the CBDT prescribed new date of filing application which is now on or before 31.12.2019.
[CBDT Circular No. 25/2019 dated 09.09.2019]

- **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 276 ITO, Ward- 10 (1), Kolkata v. Axisline Investment Consultants (P.) Ltd. IT APPEAL NO. 408 (KOL.) OF 2017 [ASSESSMENT YEAR 2012-13] JULY 1, 2019	Kolkata Tribunal	Where AO made addition to assessee's income under section 68 in respect of share application money received from various applicants, in view of fact that assessee had provided details of name, address, PAN of share applicants together with copies of their balance sheets and returns and, moreover, amount had been received by account payee cheques out of sufficient bank balances maintained by of share applicants, impugned addition deserved to be deleted

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

❖ **Pay penalty of Rs 10,000 for late Income-Tax filing after December 31.**
Timely filing of return is strongly recommended as the tax authorities have the power to initiate prosecution proceedings. Business Standard Report

❖ **ITR processed? Here's how to request intimation notice u/s 143(1)**
While processing ITR, the department on a prima facie basis checks your income details, TDS claimed by you and if that matches with Form 26AS and so on.
A ET Report

- **ITR filing: Don't forget to verify returns to get income tax refund**
  The last date for filing the income tax return (ITR) was August 31. The Income Tax of India said that a record 5.65 crore ITRs have been filed so far in FY 2019-2020 compared to 5.42 crore in FY 2018-19. However, out of 5.65 crore ITRs, only 3.61 crore were verified until September 1, 2019.

  Therefore, you need to verify your income tax return. The return filling process is not complete until you verify your return. The income tax department will only start processing your income tax return after it is verified by you. An ITR return needs to be verified within 120 days of filing of tax return. However, it is advisable that you verify the return as soon as possible.
  Business Today Report

- **Check your ITR and revise it if you've made a mistake**
  The due date to file the income tax return (ITR) for assessment year (AY) 2019-20 got over on 31 August. Though the due date to file ITR was extended by a month from 31 July to 31 August, about 5 million people filed their returns on the very last day, according to data on the income-tax website. Filing your returns at the last moment or in the hurry to meet the deadline can easily result in mistakes. The chances of making mistakes are particularly high this year, given that there were many changes in the ITR forms and taxpayers were required to furnish additional details; even the format of Form 16 changed. Though some ITR forms came pre-filled, taxpayers were required to verify this pre-filled data before filing the returns. Live mint report

Updates related to Announcement by ICAI

- **Big opportunity for CAs with 10 or more years' experience as ICAI opens recruitment of Managing Director for Indian Institute of Insolvency Professionals of ICAI (IIIPI)**
  The Indian Institute of Insolvency Professionals of ICAI (IIIPI), is a subsidiary of the Institute of the Chartered Accountants of India and is registered as a Sec. 8 Company to enrol and regulate Insolvency Professionals as its members in accordance with the Insolvency and Bankruptcy Code 2016.
  [Announcement here]

Updates related to Announcement by ICSI

- ICSI reminds the last date for the payment of certificate of practice fee for FY2019-20 is 30th September, 2019.

Corporate Laws by MCA

- MCA informs SPICe form containing relevant changes for incorporating Nidhi Companies is likely to be deployed today for filing purposes. Stakeholders may kindly take note and download latest form before filing.

- MCA notify National Financial Reporting Authority (NFRA) Amendment Rules 2019 [Notification here]

The Insolvency and Bankruptcy Law.

- **Individual Insolvency: The Next Big Thing in IBC Code-2016.**
  [Read here official report of IBBI]

- **A Resolve for Resolution**
  The Bill reinforces the need for time bound insolvency resolution of corporate debtors for maximisation of value of their assets.
  [IBBI Report]

- **IBBI Strengthens Norms Over Insolvency Resolution Professionals (IRP's)**
  Mondaq Report

- **NCLAT's nod to Sterling Biotech for settlement with lenders baffles experts.**
  A recent order of the National Company Law Appellate Tribunal (NCLAT), allowing the promoters of Sterling Biotech to enter into a one-time settlement with lenders, has surprised Insolvency and Bankruptcy Code (IBC) watchers. They think this could open up a Pandora's box for future IBC cases. Legal experts say the order goes against the legislative intent of the IBC, which has set aside laws to keep errant promoters away from the resolution process. BS Report

Updates related to Start-ups by Start Up India Department

- Cremurah is a portal for dairy extracts and additional products such as cow dung cake, manure, vermicompost etc. They have a self-rearing farm wherein livestock are scientifically reared. Read here for more

Updates related to Latest developments in Economy & Finance world

- Government Committed to Corruption Free Environment for Business: Says Sh. Piyush Goyal, MOCI
  Minister held a meeting with around 100 domestic industries, manufacturers, associations of various sectors and users today in New Delhi to discuss and provide a holistic view about regulatory instruments for the formulation and implementation of effective trade policy and development strategy. Senior officials of various Ministries and Departments of Central Government also participated in the meeting.
  [A MOCI Press release]

- Government e Marketplace (GeM) and Punjab Government sign MoU for Setting up Project Management Unit
  Government of Punjab is the first State which will establish GOTT PMU for effectively utilising this transformational initiative towards inclusive, efficient and transparent procurement. Among the CPSUs, SAIL has already signed MoU for setting up of PMU. Many other states and CPSUs are in the process of setting up GOTT PMUs. It is projected that through the initiatives of GOTT PMU, Government of Punjab will be able to transact around Rs 1700 crore in terms of annual Gross Merchandize Value (GMV) on GeM platform in the first year and over Rs 3000 crore per annum, over a period of time.
  [MOCI Release]

- **Banks target weaker borrowers as credit growth slips: Why it's a risky bet**
  Any financing that's secured by collateral — steel mills, textile factories, power plants, roads or land — is in trouble in India. A multiyear investment slowdown has decimated credit quality. Now, the problem is spreading. The near-recession in the consumer economy means unsecured lending could be the next domino to fall. BS Report

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Knowledge shared= Knowledge^2

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About Scribbler

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Profile

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