

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**
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- **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 Goods & Service Tax & other Indirect taxes by CBIC

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

- **GST related**

- ❖ GSTN make available Online Version of New Return (Trial) at GST Portal

The purpose behind release of GST New Return Offline Tool on trial basis is to enable familiarization of stakeholders with tool's functionalities and to get their feedback/suggestions to improve the tool further before its actual deployment. Please use the trial version and share your feedback/suggestions as per process defined in below link.

[More details are available on this link](#)

- ❖ GSTN issues Important Clarification on GST DRC-03

The graphic features the GSTN logo at the top left. The main heading 'Important Clarification on GST DRC-03' is displayed in large, bold, blue and orange text on a yellow background. To the right, a list of four bullet points in orange text provides details about the payment process and filing requirements for Form GST DRC-03.

- Payment on voluntary basis can be made by a taxpayer through **Form GST DRC-03**
- After making payment through a ledger **Form GST DRC-03 needs to be filed** by taxpayer.
- Tax officer will issue **Acknowledgement** in **Form GST DRC-04**
- There is **no restriction on Taxpayer to make a new voluntary payment** through **Form GST DRC-03** even if **Acknowledgement** by the tax officer is **shown as pending on the portal.**

- ❖ What is Margin Scheme in GST?

Normally GST is charged on the transaction value of the goods. However, in respect of second hand goods, a person dealing in such goods may be allowed to pay tax on the margin i.e. the difference between value at which the goods supplied and the price at which goods purchased. If there is no margin, no GST is charged for such supply. The purpose of the scheme is to avoid double taxation.

[\[This CBIC e-flyer explain it more with clarity\]](#)

- **Custom related**

❖ CBIC issued clarifications vide Circular No. 31/2019-Customs dated 13th September, 2019 regarding norms for execution of Bank Guarantee under Advance Authorisation (AA), Duty Free Import Authorisation (DFIA) and Export Promotion Capital Goods (EPCG) schemes.

- Manufacturer exporters/Service Providers registered with the GST, who have been exporting during the previous 2 financial years and have minimum export of Rs. 1 crore or more during the preceding financial year **exempted from furnishing Bank Guarantee.**
- Manufacturer exporters/Service Providers registered with the GST, who have paid GST of Rs.1 crore or more during the preceding financial year exempted from furnishing Bank Guarantee.
- in cases where the AA/DFIA/EPCG authorisation holder is a registered member of an Export Promotion Council, he shall produce a certificate of export performance or payment of duty/GST for the purpose of availing Bank Guarantee exemption from the concerned Export Promotion Council. In cases where the AA/DFIA/EPCG authorisation holder is not a registered member of an EPC, he may produce such certificate duly authenticated by a practicing CA who is registered with the GST for payment of GST.

[\[Circular is here\]](#)

- **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 498 Neha Enterprises v. Principal Commissioner of Central-tax JULY 4, 2019	High Court of Karnataka	Judgement	Where Authority by impugned order dismissed rectification application filed by assessee on ground that assessment order was passed pursuant to admission of service tax liability by assessee, since no good grounds were made out by assessee in writ petition challenging impugned order, same was to be dismissed

Sr.No.	Key to find the document	Court/ARA/AAAR	Description	
			Ruling/Judgement	Summary
2	[2019] 108 taxmann.com 324 Neo Built Corporation, In re CASE NUMBER 17 OF 2019 ORDER NO. 05/WBAAR/2019-20, JUNE 10, 2019	Authority For Advance Rulings, West Bengal	Ruling	Where applicant-company is rendering services of resuscitation of river to Irrigation and Waterways Directorate, said services being relatable to Function listed in Eleventh Schedule to article 243G of the Constitution, is exempt from payment of GST under Sl. No. 3A of Notification No.9/2017-Integrated Tax (Rate), dated 28-6-2017 [Exemption notification discussed]
3	[2019] 108 taxmann.com 329 Shiv Enterprises v. State of U.P NO. 19542 OF 2019, JULY 18, 2019	High Court of Allahabad	Judgement	Where Competent Authority had detained goods of assessee under transport and issued penalty notice under section 129(3) and assessee filed writ petition challenging detention order and penalty notice, since in proceeding based on penalty notice final order had been passed by Competent Authority, writ petition was not maintainable [Section 129 of CGST Act discussed]

Sr.No.	Key to find the document	Court/ARA/AAAR	Description	
			Ruling/Judgement	Summary
4	[2019] 108 taxmann.com 500 India Coke and Power v. Union of India R/SPECIAL CIVIL APPLICATION NO. 11410 OF 2019, JULY 3, 2019	High Court of Gujarat	Judgement	Where assessee filed writ petition challenging vires of Notification No. 8/2017 - Integrated Tax (Rate), dated 28-6-2017 and also Entry No. 10 of Notification No. 10/2017 - Integrated Tax (Rate), dated 28-6-2017, registry was directed to issue notice returnable on 17-7-2019 on GST Authorities and in meanwhile no corrective steps shall be taken against assessee. [Section 5 of IGST Act and IGST- Rate notification 8 & 10 discussed]
5	[2019] 108 taxmann.com 285 Grasim Industries Ltd. v. Union of India R/SPECIAL CIVIL APPLICATION NO. 11061 OF 2019 JULY 10, 2019	High Court of Gujarat	Judgement	Where assessee filed writ petition challenging constitutional validity of amendment brought out in section 140 by way of CGST (Amendment) Act, 2018 with effect from 1-7-2017, notice was issued on GST Authorities to explain as regards impugned amendment.

▪ News/Latest Developments/Other updates

- ❖ CBI Arrests GST Superintendent from Meerut in Rs 3 Lakh Bribe Case
Vikas Kumar Singh, posted at the GST department, Meerut, was caught by the Central Bureau of Investigation (CBI) for allegedly receiving the bribe.
[Read here for more](#)
- ❖ Simplify GST: Chamber
The Tamil Nadu Chamber of Commerce and Industry yet again appealed to the Central government to simplify the Goods and Service Tax as it believes that is the cause of the sluggish economic growth.
[Read here for more](#)
- ❖ CITU urges Centre to reform GST
The Centre of Indian Trade Unions (CITU) urged the Central Government to bring about reforms in the Goods and Services Tax to protect micro, small and medium enterprises (MSMEs).
[Read here for more](#)
- ❖ Major revamp in GST structure likely; rates may be lowered on cars, biscuits
GST Council in its next meeting, which will be held on September 20, 2019 in Goa, may consider the demand of the auto and FMCG sector to reduce levies on cars and biscuits. The council may also consider other avenues of generating revenues to offset the revenue loss due to lowering of GST rates on autos and biscuits.
[Read here for more](#)
- ❖ Auto companies are cry-babies, no need for GST cuts: India Cements MD N Srinivasan
[Read here for more](#)



Updates related to Income Tax by CBDT

▪ Notification/Circular/Press release/FAQs

- ❖ CBDT notifies the Cost Inflation Index for Financial Year 2019-20 vide Notification No.63/2019 dated 12th September, 2019. The Cost Inflation Index for FY 2019-20 relevant to AY 2020-21 & subsequent years is 289.
[Notification here](#)

- ❖ Income Tax Department thank taxpayers or filing returns of income and inviting feedback and suggestions.

[Click here to give your feedback](#)

- ❖ CBDT authorises that ACIT (e-Verification), having headquarter at Delhi, to act as prescribed Income-tax Authority for the purpose of sub-section (2) of section 143 of the said Act, in respect of returns furnished under section 139 or in response to a notice under sub-section (1) of section 142 of the said Act during the financial year commencing on 1st day of April, 2018 for the purposes of issuance of scrutiny notice under sub-section (2) of section 143 of the said Act.

[\[Notification here\]](#)

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

Sr.No.	Key to find the document	Description	
		Tribunal/Court	Brief judgement
1	[2019] 109 taxmann.com 165 (Ahmedabad - Trib.) Unnati Inorganics (P.) Ltd. v. ITO, Bhavnagar	Ahmedabad Tribunal	Basis of determination of FMV could not have been rejected on ground that no accounting entry had been passed in respect of difference between FMV of immovable property at relevant point of time in books of accounts, as, it is well settled that even where assessee fails to make necessary entries in books of accounts, it will not operate as a bar for claiming benefits by way of deduction etc
2	2019] 108 taxmann.com 271 Vanraj V. Shah v. DCIT-10(1)(1)	High Court of Bombay	Recovery proceedings not to be initiated against director without proving that tax couldn't be received from co.

▪ News/Latest Developments/Other updates

- ❖ Income tax dept launches faceless e-assessment scheme. 5 things to know
With the launching of faceless e-assessment facility, all your income tax returns (ITR) would be assessed and scrutinised in complete electronic mode without any human interface. As announced by government in Budget, the income tax department has started e-assessment.
[Live mint report](#)
- ❖ Income tax benefits on costs of education under Section 80E to Section 80
[Live mint report](#)



Updates related to Announcement by ICAI

- ❖ ICAI invites feedback to its survey questionnaire for assessing the impact of Ind AS implementation. The link for the questionnaire is [here](#)



Updates related to Announcement by ICSI

- ❖ After validation of the list of students, who have registered during 26th August, 2019 to 31st August, 2019 for the All India Company Law Quiz-2019, ICSI release the provisional list of eligible students which is appended [here](#)



The Insolvency and Bankruptcy Law

- ❖ IBBI issues excerpt from the Report of the Task Force on the Development of Secondary Market for Corporate Loans
- ❖ Board invites EOI under Guidelines for Appointment of Insolvency Professionals as Administrators under the Securities and Exchange Board of India (Appointment of Administrator and Procedure for Refunding to the Investors) Regulations, 2018.

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



Updates related to Foreign Trade Policy by DGFT

- ❖ Govt. issues data of India's Foreign Trade: August 2019

[Read here MOCI Release](#)

Here is summary of export/import



Updates related to Start-ups by Start Up India Department

- ❖ Gurugram-based healthy snacks manufacturer, Hungry Foal, has raised an undisclosed amount of funding in Pre-Series A round led by Singapore-based Madison Capital.

[Read here the story](#)



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

- ❖ Ministry presenting “MSME MART”- A Global business to business (B2B) Portal facilitating Services to Micro, Small & Medium Enterprises (MSMEs) to help them grow their business Online. [JOIN NOW](#)

एमएसएमई मार्ट

एमएसएमई इकाइयों के उत्पादों तथा सेवाओं को प्रदर्शित करने वाला एक ग्लोबल बिजनेस टू बिजनेस (बी 2 बी) पोर्टल जो आपको ऑनलाइन अवसरों का पता लगा कर आपका कारोबार बढ़ाने में सहयोग करता है।



Updates related to Money Market/Banks by RBI

- ❖ RBI releases “Draft Guidelines for ‘on tap’ Licensing of Small Finance Banks in the Private Sector”.

[Read here](#)

- ❖ Report of the Internal Working Group to Review Agricultural Credit.

[Read here](#)



Updates related to Latest developments in Economy & Finance world

- ❖ Steps taken by government towards Ease of Doing Business in India.

- Direct Port Entry allows the clearance of export consignments at the parking plazas located outside the terminals leading to a reduction in the goods clearance time and associated cost for exporters
- Section 42 of the IBC, 2016 has been amended by the Insolvency and Bankruptcy Code (Second Amendment) Act, 2018 which now allows a creditor to object to the decision of the liquidator of accepting or rejecting any claim against the debtor brought by the creditors itself.
- The facility of e-filing of cases is available for commercial cases in Mumbai commercial courts.
- In Mumbai, development charges payable for development of any land or building for warehouse have been exempted to the extent of 95%.
- No inspection for registration under Shops and Establishments Act in Mumbai which simplified for starting a new business.
- In Mumbai & Delhi, registration under Shops and Establishments Act made online, real time and free of cost.

- Govt had no outstanding loans from RBI in week ended September 6
The government had no outstanding loans with the central bank under the ways and means advances in the week ended September 6, according to a weekly statistical supplement released by the RBI on Friday. State governments had loans worth Rs 421 crore from the RBI in the week ended September 6 compared with Rs 606 crore in the previous week, the release showed. [Read here for more](#)
- RBI likely to go for further rate cut in October 4 meet, say experts
The Reserve Bank of India is expected to go for a further rate cut in the next month's monetary policy review as inflation is expected to pan out in line with the central bank's projection, experts say. According to brokerages, moderating inflation and a negative output gap are likely to open the door for an accommodative monetary policy. [Read here](#)
- Improving ease of doing business: Think tank moots sector-based model
While the World Bank's ranking rests on ease of doing business in Mumbai and Delhi, the DPIIT's is based on reforms done in states. [Read here](#)
- Focus on sustainability of agriculture, not loan waivers, says RBI
RBI panel says banks should partner agri-tech firms to provide quick loans to farmers. [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 blue shirt and a dark tie with a light-colored geometric pattern. His hands are clasped together in front of him, and he is wearing a black leather 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 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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<http://www.pgaa.in>



[Double click on icons to open]