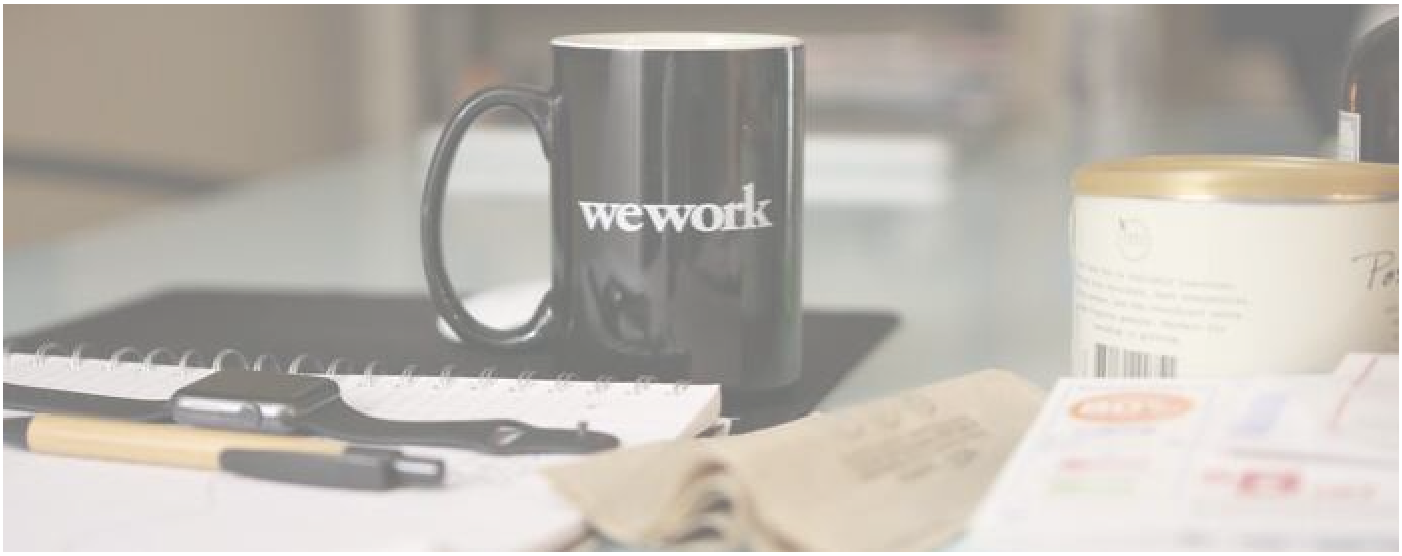
SEPTEMBER 30, 2019 | MONDAY ISSUE 81

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

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

- **Did you know this?**

  Explanation to section 11 provides that where an exemption in respect of any goods or services or both **from the whole or part** of the tax leviable thereon has been granted **absolutely** u/s 11, the registered person supplying such goods or services or both **shall not collect the tax, in excess of the effective rate**, on such supply of goods or services or both.

  Commentary-

  - If exemption is provided fully, then supplier can't collect tax at all.
  - If exemption is provided partly, then supplier can't collect tax up-to exemption limit. For example, tax rate is 18% and exemption is provided to the extent of 70% then supplier will collect tax on 30% of value at the rate of 18% i.e. effective rate will be 5.40% (30% of 18%) and 70% will be exempted.

    Example-

Supply value	Rs. 100000/-
Tax Rate	18%
Exemption through exemption notification	70% of value
Tax will be charged (100000*30%*18%)	Rs. 5400/-

  - Exemption must be granted **absolutely**. What is means? It means if exemption is given with few conditions that it is up-to supplier, if supplier fulfil those conditions than only can avail exemption otherwise not. If supplier do not comply with conditions, then will charge full tax.

- **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] 106 taxmann.com 212 Union of India v. Sapna Jain SPECIAL LEAVE TO APPEAL (CRL.) NOS. 4322-4324, 4546 & 4571 OF 2019 DIARY NO. 15477 OF 2019 MAY 29, 2019	Supreme Court of India	Judgement	**High Court should not grant pre-arrest bail to accused in GST matter** As the accused-respondents been granted the privilege of pre-arrest bail by the High Court by the impugned orders, at this stage, we are not inclined to interfere with the same. However, we make it clear that the High Courts while entertaining such request in future, will keep in mind that this Court in P.V. Ramana Reddy v. Union of India by order dated 27.5.2019 passed in [SLP(Crl.) No. 4430/2019] had dismissed the special leave petition filed against the judgment and order of the Telangana High Court in a similar matter, wherein the High Court of Telangana had taken a view contrary to what has been held by the High Court in the present case. **[Section 69 and 132 discussed]**

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

  - ❖ **There should be just 3 GST rates: 6, 12 & 18%: Bibek Debroy**

    Chairman of the Economic Advisory Council to the Prime Minister Bibek Debroy tells GST is still a work in progress and argues that the two extreme rate slabs — zero and 28% — should be removed.

    Read this report

  - ❖ **GST Council does some corrections**

    For export promotion, the Council recommended exemption from GST/IGST at the time of import on silver/platinum by specified nominated agencies and their supply to exporters of jewellery. And, inclusion of Diamond India Ltd in the list of nominated agencies. It recommended exemption to services provided by an intermediary to a supplier or recipient of goods when both supplier and recipient are located outside the taxable territory. And, notification regarding the place of supply of specified research and development (R&D) services and clarification regarding the place of supply of chip design software R&D services provided by Indian companies to foreign clients by using sample test kits in India.

    Read more here

  - ❖ **CAIT says e-commerce portals avoiding GST during festival sales; seeks probe.**

    Read this report

Updates related to Income Tax by CBDT

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

  - ❖ **CBDT extends the date for linking PAN & Aadhaar from 30th September, 2019 to 31st December, 2019.**

    Notification issued on 28.09.2019.

- **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 19 Oxcia Enterprises (P.) Ltd. v. DCIT, Circle IT APPEAL NO. 291 (JODH.) OF 2018 [ASSESSMENT YEAR 2016-17] MAY 6, 2019	Jaipur Tribunal	Where assessee purchased an immovable property from Power of Attorney holder of two joint owners of said property for consideration of Rs. 60.12 lakhs, in view of fact that share of each co-owner came to Rs. 30.06 lakhs which was under threshold limit prescribed under section 194-IA, assessee was not required to deduct tax at source while making payment for said purchase

Corporate Laws by MCA

- MCA requests companies to avoid last minute rush and complete their annual filling in time.
  Here is letter

The Insolvency and Bankruptcy Law.

- The IBBI is celebrating its third Annual Day on 1st October, 2019. Hon'ble Minister for Finance and Corporate Affairs, Smt. Nirmala Sitharaman will grace the occasion as the Chief Guest. Hon'ble Minister of State for Finance and Corporate Affairs, Shri Anurag Thakur and Secretary, Ministry of Corporate Affairs, Shri Injeti Srinivas will join as Guests of Honour.
  Read this announcement

Updates related to Latest developments in Economy & Finance world

- **PMC Bank helped real estate developer HDIL pay off loans of other PSBs.**
  PMC Bank helped real estate developer Housing Development & Infrastructure (HDIL) pay off loans of other public sector banks (PSBs) under one-time settlement schemes, so that the promoters could retain control over the real estate company.
  A business standard report

- **Why the festival season may not bring much cheer despite tax cuts by govt.**
  Indians typically buy everything from new cars to shoes for themselves and as gifts during celebrations steeped in religion and tradition. Yet the slowest economic growth in six years, unemployment at a 45-year high and tepid private consumption may see sales fall short of recent years, even after the government's $20 billion tax break to companies earlier this month.
  Read this report

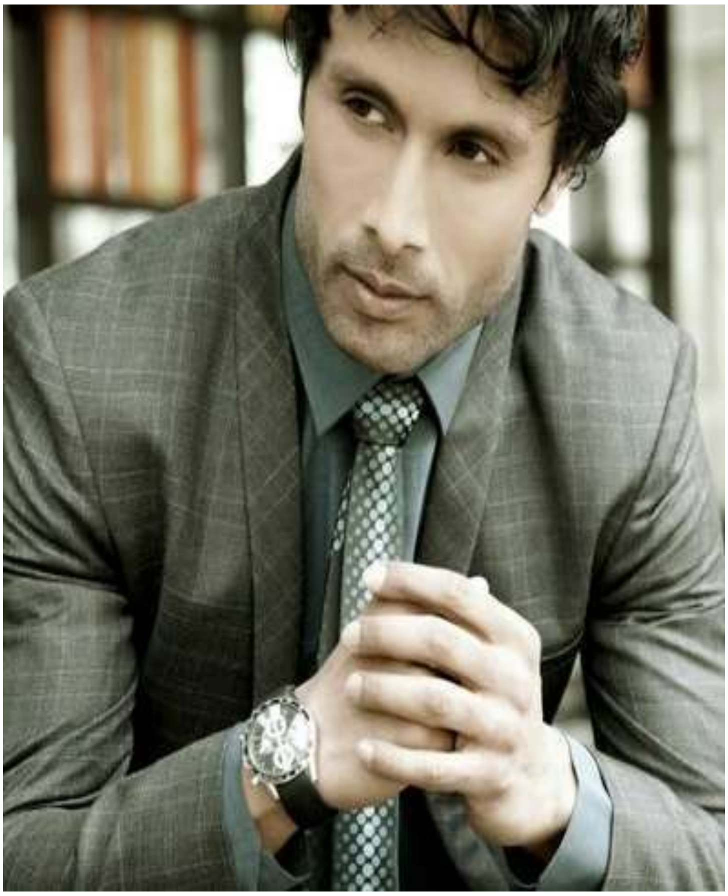
- **Govt to launch enterprise development centres for MSMEs in all districts.**
  Come Diwali, Union micro, small and medium enterprises sector (MSME) minister Nitin Gadkari will launch enterprise development centres (EDCs) that have been in the planning stages for two years now, senior officials said. Aimed at developing a cadre of indigenous entrepreneurs in the MSMEs, the EDCs will be similar to incubators for start-ups, according to a official documents reviewed by Business Standard.
  Read for more

- **Crisis-hit PMC Bank used dummy accounts to escape RBI's attention**
  The bank's sacked managing director (MD) and chief executive officer (CEO) Joy Thomas wrote a five-page confession letter to the Reserve Bank of India (RBI) on September 21, reviewed by Business Standard, where he described the relation of the HDIL's promoter family Wadhawan with PMC Bank.
  Read this report

SAVE WATER || SAVE UNIVERSE

Knowledge shared= Knowledge^2

==



About Scribbler

PRADEEP GOYAL

- **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.

=================================

Connect

pradeep@pgaa.in

+91-9811777103

http://www.pgaa.in

Profile *Page*

[Double click on icons to open]