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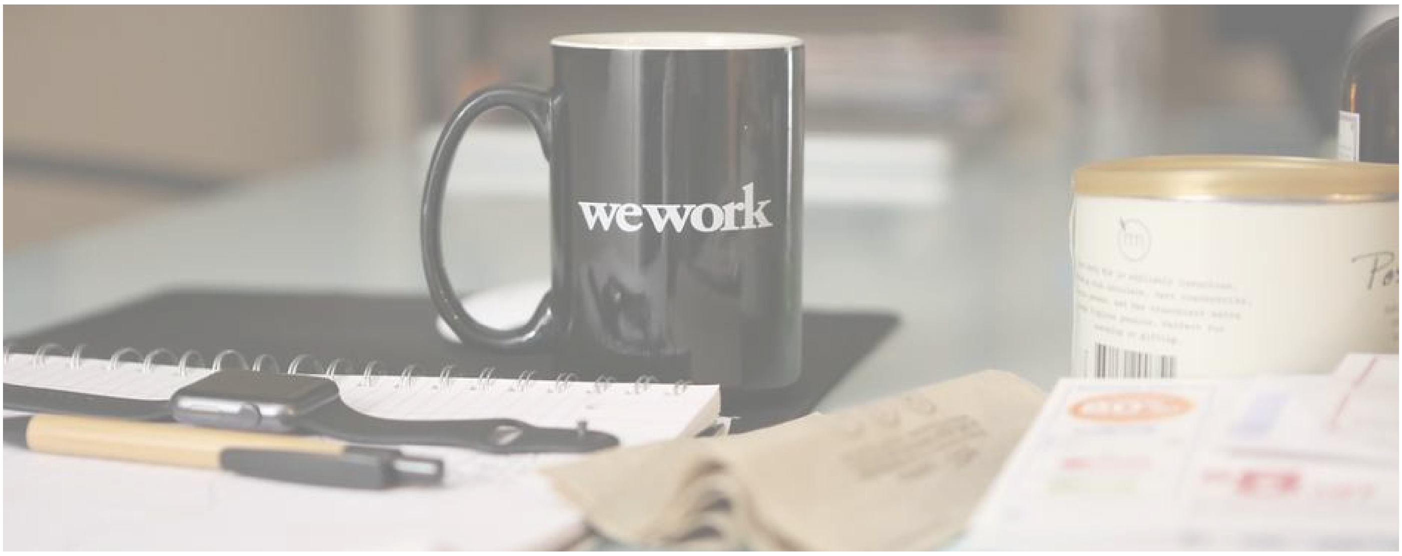
THE DAILY LIFELINE

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.

INDEX

UPDATES RELATED TO

Updates related to Goods & Service Tax & other Indirect taxes 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] 110 taxmann.com 439 Sri Balaji Rice Mill, In re ADVANCE RULING NO. KAR ADRG 72/2019 SEPTEMBER 23, 2019	Authority for Advance Rulings, Karnataka	Advance Ruling	Sale of rice under Registered Brand name liable to 5% GST. Manufacturers can hold registered brand name while selling rice under unregistered brand, however, if they sell in registered brand name, they would not be eligible for exemption.
2	[2019] 110 taxmann.com 440 Teamview Developers LLP, In re ADVANCE RULING NO. KAR ADRG 104/2019 SEPTEMBER 30, 2019	Authority for Advance Rulings, Karnataka	Advance Ruling	Where landowners transferring development rights of land in lieu of construction service to applicant & applicant is providing construction services to landowners to extent of value of rights in land, tax rate applicable on supply of construction service to land owner in lieu of transfer of development rights to promoters portion is 9 % CGST & 9 % KGST under entry No. 3(xii) of Notification No. 11/2017 CT-R. applicant is eligible for ITC on same

Sr.No.	Key to find the document	Court/ARA/AAAR	Description	
			Ruling/ Judgement	Summary
3	[2019] 110 taxmann.com 427 Matrix Imaging Solutions India (P.) Ltd., In re ADVANCE RULING NO. KAR ADRG 105 OF 2019 SEPTEMBER 30, 2019	Authority for Advance Rulings, Karnataka	Advance Ruling	Where applicant entered into contract with contractee (Hospital) for providing diagnostic services in their premises for patients referred to by Hospital; consideration is also payable by contractee to applicant and, hence, contractee is recipient of services and not patients, therefore such services would be covered under 'clinical establishment' under Entry No. 74 of Notification No. 12/2017 - Central Tax (Rate) dated 28-6-2017 and, hence, exempted from CGST and similarly same is exempted under Karnataka Goods and Services Act, under Entry No. 74 of Notification (12/2017) No. FD 48 CSL 2017 dated 29-6-2017
4	[2019] 110 taxmann.com 133 Khamal Rameshbhai Valabhai v. State of Gujarat	Gujrat High Court	Order	Authority seized truck of assessee transporter along with goods in transit, said authority was directed to release truck as well as goods seized, as assessee had deposited amount of tax and penalty as determined.

Updates related to Income Tax by CBDT

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

❖ India concluded a Protocol to amend the Convention between the Government of the Republic of India and the Government of the Kingdom of Morocco for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income.
Here is gazetted notification

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

Sr.No.	Key to find the document	Description	
		Tribunal/Court	Brief judgement
1	[2019] 110 taxmann.com 56 Chheda Housing Development Corpn. v. ACIT, 32(1), Mumbai IT APPEAL NO. 86 (MUM.) OF 2017 MAY 29, 2019	Mumbai Tribunal	Where pursuant to cancellation of land development agreement, amount received by assessee was in excess of advance and same was on account of compensation for extinction of its right to sue landowner, since said receipt was not in ordinary course of its business, same was to be construed as capital receipt not liable to tax.

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

❖ **Income Tax Department detects Rs 1,000-cr tax evasion, links to choppers scam after raids on Delhi business house.**
Department conducted search operation on a group based in Delhi in connection with tax evasion and money laundering. The group is engaged in various e-governance projects and financial services. It has presence across several cities in India and also in Dubai. The search and seizure action have led to unearthing of several incriminating evidence establishing large scale tax evasion, hawala transaction and money laundering by the said taxpayer group.

The group has taken recourse to use of shell companies based in Delhi / Kolkata to route unaccounted money.
Here is MoF Press Release

Updates related to Announcement by ICAI

- Ethical Standards Board of ICAI issued advisory for Members in Practice listing themselves and their services with Online Application based service provider Aggregators and warned that the disciplinary proceedings would be initiated accordingly.
  Read this release

Corporate Laws by MCA

- **Cabinet approves Mood between India and Kuwait in the field of accounting, finance and audit knowledge base**
  The Union Cabinet chaired by the Prime Minister Shri Narendra Modi has approved the Memorandum of Understanding (MoU) for capacity building and strengthening the accounting, financial and audit knowledge base in Kuwait.
  Read this release

The Insolvency and Bankruptcy Law.

- **Legal updates- NCLAT | Court**

Sr.No.	Key to find the document	NCLAT/Court	Summary
1	[2019] 110 taxmann.com 6 Oyster Steel & Iron (P.) Ltd. v. Royal Kitchen Appliances (P.) Ltd.	NCLT Delhi bench	CIRP plea admitted when ledger of Corporate debtor itself showed part payment of debt

Updates related to Latest developments in Economy & Finance world

- **India jumps 14 spots to 63rd in World Bank's Ease of Doing Business ranking**
  India was ranked 142nd among 190 nations when Prime Minister Narendra Modi took office in 2014. Four years of reform pushed up India's rank to 100th in World Bank's 'Doing Business' 2018 report. It was 130th in 2017 when it was ranked lower than Iran and Uganda. Last year, the country jumped 23 places to the 77th position on the back of reforms related to insolvency, taxation and other areas.
  Read this report

- **India Inc Q2 earnings start on positive note, tax rate cut boosts profit**
  The July-September 2019 quarter (Q2) earnings season has started on an optimistic note for corporate India. Excluding the exceptional gains and losses, the combined net profit of 200 companies that have declared their results so far is up 15 per cent year-on-year (y-o-y), while profit before tax (PBT) has risen by a higher rate of 20.7 per cent, thanks to the cut in tax rates.
  Read this report

- **Govt approves BSNL-MTNL merger, clears Rs 70,000-crore relief package**
  Just days before Diwali, the government has taken a decision to lift the air of uncertainty over the two public sector telecom behemoths — Bharat Sanchar Nigam Ltd (BSNL) and Mahanagar Telephone Nigam Ltd (MTNL). While approving a package of nearly Rs 70,000 crore for the two financially stressed entities, the Union Cabinet on Wednesday also drew up a timeline to merge them. Monetising real estate assets worth Rs 37,500 crore is part of the overall relief package that would be used to retire debts, upgrade networks and offer a voluntary retirement scheme (VRS) aimed at reducing the companies' employee strength by half.
  Read this report

Knowledge shared= Knowledge^2

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About Scribbler

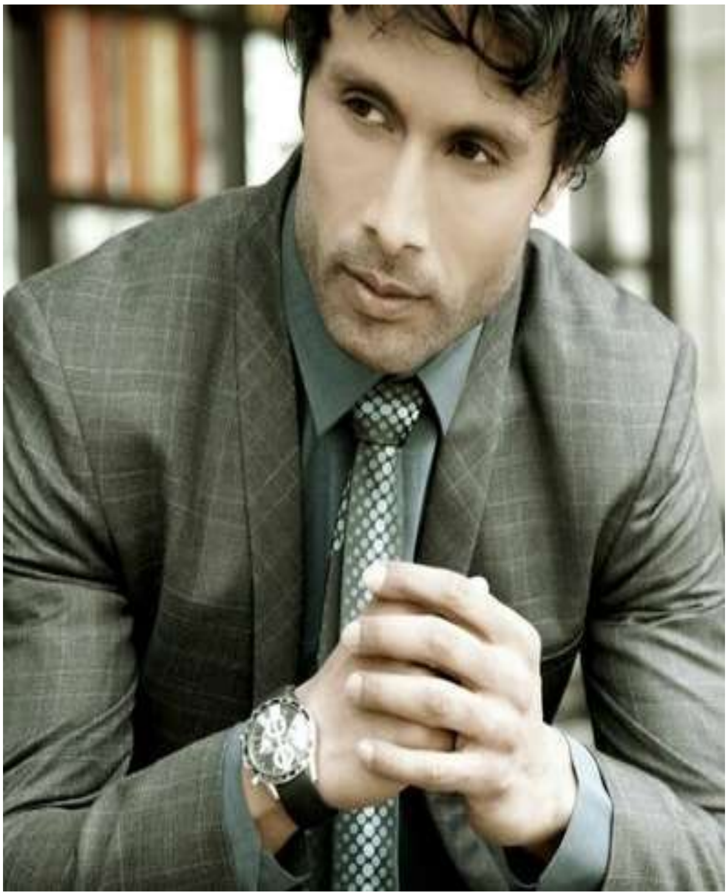
PRADEEP GOYAL

❖ **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.



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Profile

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