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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

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

- **CBIC issues its GST weekly update dated 16.11.2019**

  This document covers the GST changes / observations/ press releases/ Tweet FAQs/ Sectoral FAQs released by CBEC since the last update on 09.11.2019. It supplements the earlier GST Updates.

  Download your copy here

- **In exercise of powers under section 172 of CGST Act, Government amended Section 44 of the Central Goods and Services Tax Act, 2017 by Removal of Difficulty Order No. 08/2019-Central Tax dated 14.11.2019 to give effect to extension of date for filing of annual return.**

  Existing explanation in section 44 substituted by following explanation-

  For the purposes of this section, it is hereby declared that the annual return for the period from the 1st July, 2017 to the 31st March, 2018 shall be furnished on or before the 31st December, 2019 and the annual return for the period from the 1st April, 2018 to the 31st March, 2019 shall be furnished on or before the 31st March, 2020.

  Copy of Order here

- **Government issues Circular No. 124/43/2019 dated 18.11.2019 to clarify optional filing of annual return under notification No. 47/2019-Central Tax dated 9th October, 2019.**

  Below 2 issues clarified-

  - ✓ GSTR 9 and 9A can be filed optionally [Up-to aggregate turnover of Rs. 2 Crore in a financial year] only on or before due date. Portal will not allow filing after due date.
  - ✓ Any registered tax payer, during course of reconciliation of his accounts, notices any short payment of tax or ineligible availment of input tax credit, he may pay the same through FORM GST DRC-03.

  Copy of Circular here

- **Government issues Master Refund Circular No. 125/44/2019-GST dated 18.11.2019 issued superseding earlier refund circular**.
  This circular explains about fully electronic refund process through FORM GST RFD-01 and single disbursement.
  [Download copy of circular here]

- **Government issues advisory about Blocking/Unblocking of E-Way Bill generation**
  E-Way Bill system will have a new feature of blocking/unblocking of the taxpayers from next month, as per the rule. That is, if the GST taxpayer has not filed Return 3B for the last two successive months in GST Common portal, then that GSTIN will be blocked for generation of e-way bill either as consignor or consignee. Now, this month, the tax payer will be alerted with a cautionary message while generating the e-Way bills, in case Return 3B for the past 2 successive months of the consignor/consignee GSTIN has not been filed. However, from next month onwards, such GSTINs will be blocked.
  [Download this advisory]

- **Department of Revenue, Ministry of Finance issues guidelines to defend against Writ Petitions /Public Interest Litigations relating to GST issues filed with various High Courts and Supreme Court.**
  Master instructions vide letter F.No. S-29012/12/2017 dated 14th August, 2019 on defence against writ petitions / PILs relating to GST to all States as well as Central GST formations to comply with for efficaciously defending the interest of government before the court(s).
  [Read here for more]

- **Government explains parliament about its efforts towards GST simplification**.
  Shri Anurag Singh Thakur, Union Minister of State for Finance & Corporate Affairs, explained in a written reply to a question in Rajya Sabha yesterday.
  It was informed that amendments have been made to the GST Acts vide the CGST (Amendment) Act, 2018, the IGST (Amendment) Act, 2018, the UTGST (Amendment) Act, 2018 and the GST (Compensation to States) Amendment Act, 2018. Amendments in the GST Act have also been carried out in the Finance (No.2) Act, 2019. Further, 34 amendments have been made in the CGST Rules, 2017 till November, 2019.
  [Read this Press Release]

- **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 486 Enprocon Enterprise Ltd. v. Assistant Commissioner of State Tax R/SPECIAL CIVIL APPLICATION NO. 14129 OF 2019 SEPTEMBER 20, 2019	Gujrat High Court	Order	Where Competent Authority, pursuant to search of premises of assessee, passed an order of prohibition in respect of certain properties and further provisionally attached bank accounts and office premises of assessee, since properties in respect of which prohibition order had been passed were not found at premises which came to be searched, order of prohibition as well as attachment of bank accounts required to be stayed. ***[Section 67, 83 and Rule 139 discussed]***
2	[2019] 111 taxmann.com 330 Vadehra Builders (P.) Ltd. v. Union of India	Delhi High Court	Order	Assessee allowed to rectify GSTR-1 manually.

Updates related to Income Tax by CBDT

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

❖ **CBDT notifies Form no. 26QD for payment of tax deducted under section 194M**

The CBDT has notified Form no. 26QD (challan-cum statement) for deposit of tax deducted at source (TDS) as per the provisions of section 194M.

Section 194M provides for levy of TDS, at the rate of 5% on the sum paid or credited, to a resident, in a year on account of contractual work, commission, brokerage or professional fees, by an individual or a HUF, if aggregate of such sum exceeds Rs. 50 lakhs in a year.

Download notification no. G.S.R.858(E) dated 18.11.2019 effective from same date.

- **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 374 (Mumbai - Trib.) DCIT, Mumbai v. Regency Property Investments (P.) Ltd.	Mumbai tribunal	Section 72(1)(i) does not mandate that business or profession should have been carried on by assessee during relevant previous year as a pre-condition for set off of brought forward business losses and, therefore, in case there are profits and gains of any business or profession carried on by assessee, which are assessable in its hands during relevant year, it would be entitled to set off its brought forward business losses against same

Updates related to Announcement by ICAI

- Conference on 'Effective Board Dynamics' for Directors & Aspiring Directors organised by the Corporate Laws & Corporate Governance Committee of ICAI on 26th November 2019 at Taj Palace, Sardar Patel Marg, New Delhi.
  Read here to know more

Updates related to Announcement by ICSI

- **Registration open for Certificate Course on Forensic Audit**
  Read here to know more

- **ICSI issues Exposure Draft of Guidance Note on Auditing Standards.**
  Read here

- **ICSI issues Peer Review Manual - Third Edition**
  Download here

Corporate Laws by MCA

- **Company Law Committee-2019 submits its report to Finance Minister**
  - The Company Law Committee was constituted by the Ministry of Corporate Affairs in September, 2019, inter alia, to further decriminalise the provisions of the Companies Act, 2013 based on their gravity and to take other concomitant measures to provide further Ease of Living for corporates in the country.
    Download copy of Report

  - Government issues notice Inviting Comments on the Report.

The Insolvency and Bankruptcy Law.

- **Notification/Circular/Press release/ Write-up by Government/IBBI**

❖ **MCA notifies certain categories of financial service providers be covered under Insolvency and liquidation proceedings under the Code.**

The insolvency resolution and liquidation proceedings of the Non-banking finance companies (which include housing finance companies) with asset size of Rs.500 crore or more, as per last audited balance sheet, shall be undertaken in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 read with the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019

Notified vide notification no. S.O. 4139(E) dated 18th November 2019 effective from 18th November, 2019.

❖ **MCA notifies rules on Insolvency and liquidation proceedings of certain notified categories of financial service providers.**

In exercise of the powers conferred under section 227 read with clause (zk) of sub-section (2) of section 239 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), The Ministry of Corporate Affairs has notified the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 wherein various provisions related to CIRP of financial service providers, filing of application fee, liquidation process, insolvency professional and so on have been discussed. Download MCA Notification No. G.S.R. 852(E) dated 15.11.2019 published in official gazette & came in force on same date.

❖ **Govt. notifies norms for initiating insolvency process for personal guarantors w.e.f December 01, 2019**

MCA notification no. S.O. 4126(E) dated 15.11.2019 published in official gazette on 15.11.2019 effective date 01.12.2019

❖ **Government issues Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019 which shall come into force from the 1st day of December, 2019.**

MCA notification no. G.S.R. 854(E) dated 15.11.2019 published in official gazette on 15.11.2019 effective date 01.12.2019

- ❖ **Government issues Insolvency and Bankruptcy (Application to Adjudicating Authority for bankruptcy process for Personal Guarantors to Corporate Debtors) Rules, 2019 which shall come into force from the 1st day of December, 2019.**
  [MCA notification no. G.S.R. 855(E) dated 15.11.2019 published in official gazette on 15.11.2019 effective date 01.12.2019]

- ❖ **Summary - Judgment** dated 15th November, 2019 of the Hon'ble Supreme Court of India in the matter of Committee of Creditors of Essar Steel India Limited Vs. Satish Kumar Gupta & Ors. [Civil Appeal No. 8766-67/2019 and other petitions]
  Read here
  Download full judgement here

- **Legal updates- NCLAT | Court**

Sr.No.	Key to find the document	NCLAT/Court	Summary
1	[2019] 111 taxmann.com 39 (NCL-AT) J.M. Financial Asset Reconstruction Company Ltd. v. G. Madhusudhan Rao, R.P. of Bheema Cements Ltd. COMPANY APPEAL (AT) (INSOLVENCY) NO. 663 OF 2019, JULY 18, 2019	NCL-AT Delhi	Where in view of renewal of mining leases, which was main asset of corporate debtor, Adjudicating Authority had extended CIRP period, but CoC took no step for calling fresh resolution plan in extended period, further extension could not be allowed.
2	[2019] 111 taxmann.com 38 Suryaa Chamball Power Ltd. v. Prakriti Power P. Ltd.	(NCLT-Jaipur)	Where corporate debtor did not object or disputed debit notes raised by applicant or its contents prior to receipt of section 8 notice, defence of raising a dispute later was lame without any supporting evidence and could be categorized as a moonshine dispute

- ❖ **1,821 cases filed by homebuyers against builders under the Insolvency and Bankruptcy Code, government informs parliament.**
  Read this release

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

- ❖ **Shri Nitin Gadkari, Union Minister for Micro, Small and Medium Enterprises informed about various exemptions for Development to MSMEs in a written reply to a question in Rajya Sabha.**
  Read this release

🕮 Updates related to Money Market/Banks by RBI

- ❖ **Financial Action Task Force (FATF) Public Statement**
  The Financial Action Task Force (FATF) has called on its members and other jurisdictions to apply counter-measures to protect the international financial system from the ongoing and substantial money laundering and terrorist financing (ML/FT) risks emanating from the jurisdiction of Democratic People's Republic of Korea (DPRK). Also, Jurisdiction of Iran is subject to a FATF call on its members to apply enhanced due diligence measures proportionate to the risks arising from the jurisdiction.
  Read this release

🕮 Updates related to Latest developments in Economy & Finance world

- ❖ **Ministry Commerce and Industry launch Special Issue of Global Trade and Customs Journal Launched**
  Read this release from MOCI

- ❖ **Actions taken by Government towards Prevention of Fraudulent Banking Practice**
  Read this press release

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Knowledge shared= Knowledge^2

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About Scribbler

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