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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

- **New Direct Tax Code-Ministry of Finance**
- **Goods & Service Tax by CBIC**
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- **The Insolvency and Bankruptcy Law by IBBI**
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- **Micro, Small & Medium Enterprises by Ministry of MSME**
- **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**

❖ **In exercise of the powers conferred by section 172 of the Central Goods and Services Tax Act, 2017, the Central Government Issues Removal of Difficulties Order No. 09 /2019-Central Tax dated 03.12.2019 so as to extend the last date for filing of appeals before the GST Appellate Tribunal against orders of Appellate Authority on account of non-constitution of benches of the Appellate Tribunal by amending section 112.**

Amendment in Section 112(1)

Any person aggrieved by an order passed against him under section 107 or section 108 of CGST/SGST/UTGST Act, may appeal to the Appellate Tribunal against such order **within 3 months** from the date on which the order sought to be appealed against is communicated to the person preferring the appeal.

Amendment-1
Above 3 months for appeal shall be considered to be the later of the following dates: -
(i) date of communication of order; or
(ii) the date on which the President or the State President, as the case may be, of the Appellate Tribunal after its constitution under section 109, enters office.

Amendment in Section 112(3)

The Commissioner may, on his own motion, or upon request from the Commissioner of State tax/UT tax, call for and examine the record of any order passed by the Appellate Authority or the Revisional Authority under CGST/SGST/UTGST Act for the purpose of satisfying himself as to the legality or propriety of the said order and may, by order, direct any officer subordinate to him to apply to the Appellate Tribunal **within six months** from the date on which the said order has been passed for determination of such points arising out of the said order as may be specified by the Commissioner in his order.

Amendment-2

Above 6 months for appeal shall be considered to be the later of the following dates: -

the start of the six months' period shall be considered to be the later of the following dates: -

(i) date of communication of order; or

(ii) the date on which the President or the State President, as the case may be, of the Appellate Tribunal after its constitution under section 109, enters office.

[Copy of order here for download]

- **Govt. notifies State & Area benches of GST Appellate Tribunal for Mizoram, Rajasthan & Karnataka**

  The Central Govt. has notified the location of State Benches and Area Benches of the Goods and Services Tax Appellate Tribunal (GSTAT) for Mizoram, Rajasthan and Karnataka.

  Download gazetted notification 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] 112 taxmann.com 25 Indian Potash Ltd., In re AAR NO. 08/AP/GST/2019 FEBRUARY 22, 2019	AAR AP	AR	Applicant, engaged in import-handling, promotion and marketing of fertiliser in entire country, imported various fertilisers, transportation of goods in a vessel from a non-taxable territory to taxable territory is import of services and such ocean freight was leviable to IGST as an inter-State supply of service and applicant, being an importer, was liable to pay IGST under RCM

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

❖ **GST structure to be reviewed on revenue concerns.**
The Goods and Services Tax (GST) Council is set to embark on a comprehensive review of the tax structure in the wake of growing revenue concerns when it meets on December 18. The review will include exempted items, GST and compensation cess rates and revenue augmentation measures. The GST Council secretariat has sought inputs from state governments on all these issues.
[Source- Online ET]

Updates related to Income Tax by CBDT

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

Sr.No.	Key to find the document	Description	
		Tribunal/Court	Brief judgement
1	[2019] 111 taxmann.com 261 J.P. Iscon Ltd. v. DCIT SPECIAL LEAVE TO APPEAL (C) NO. (S). 27414 OF 2016 SEPTEMBER 17, 2019	Supreme Court	Where High Court set aside assessee's objection to initiation of reassessment proceedings by taking a view that transactions relating to sale of land were not truly reflected in books of account, SLP filed against said order was to be granted

Updates related to Announcement by ICAI

❖ **ICAI Convocation 2020**
ICAI Convocation 2020 is to be held as per following schedule in which members newly enrolled during the period May 2019 to October 2019 will be awarded Certificate of Membership amidst august gathering of CA fraternity.
[Announcement here]

🕮 Corporate Laws by MCA

❖ **Company Law Committee recommends decriminalisation of compoundable offences under Companies Act**

The main recommendations of the Committee with regard to decriminalization of compoundable offences are as under: -

- Re-categorising 23 offences out of the 66 remaining compoundable offences under the Act, to be dealt with in the in-house adjudication framework wherein these defaults would be subject to a penalty levied by an adjudicating officer.
- Omitting, altogether, 7 compoundable offences; limiting punishment for 11 compoundable offences to only fine by removing provision for imprisonment and recommending that 5 offences be dealt under alternative frameworks;
- Reducing the quantum of penalties in respect of certain provisions, which were shifted to the in-house adjudication framework through the recently passed Companies (Amendment) Act, 2019;
- Retention of status-quo in case of the non-compoundable offences.

[Read this release from MCA]

❖ **MCA deactivates 19,40,313 Director Identification Numbers**

The Ministry of Corporate Affairs (MCA) deactivated 19,40,313 Director Identification Numbers (DINs) in the MCA21 Database due to non-filing of Know Your Client (KYC), as on 28.11.2019.

[Read this release from MCA]

🕮 The Insolvency and Bankruptcy Law.

- **Notification/Circular/Press release/FAQs//Write-up by IBBI/MCA/Central Govt.**

❖ **18,782 cases filed under Insolvency & Bankruptcy Code**

As on 30th June, 2019, a total of 18,782 cases have been filed under Insolvency and Bankruptcy Code (IBC), 2016, of which 2,173 cases have been admitted under IBC. Out of 2,173 admitted cases, 1,274 cases were ongoing under different stages of resolution process, 129 cases have resulted in resolution, 491 cases have been approved for commencement of liquidation process, 279 cases have been closed by appeal/review/settlement/withdrawn u/s 12A of IBC. The action is taken as per the provisions of the IBC in all the cases admitted under the IBC.
[Read this release from MCA]

❖ BBI and Vidhi Centre for Legal Policy is organising conference on "Insolvency and Bankruptcy Code, 2016: Impact on Markets and the Economy on 16th December, 2019 at New Delhi.
See this announcement

- **Legal updates- NCLAT | Court**

Sr.No.	Key to find the document	NCLAT/Court	Summary
1	[2019] 111 taxmann.com 300 Sumit Bhattacharya v. Sahara Prime City Ltd. CP NO. (IB) 168 (ALD.) OF 2019 OCTOBER 4, 2019	(NCLT - Allahabad)	Where in respect of arrears of salary due for period of September, 2014 to May, 2015, application under section 9 was filed on 15-5-2019 i.e. after expiry of three years from date of default, same was to be dismissed being barred by limitation.
2	[2019] 112 taxmann.com 22 Rajat Mukherjee v. Suspended Board of Directors of Shaifali Rolls Ltd. IA NO. 352 OF 2019 CP (IB) NO. 162 OF 2018 NOVEMBER 20, 2019	(NCLT - Ahmedabad)	Where Resolution Professional of corporate debtor filed application for approval of Resolution Plan submitted by respondent-resolution applicant as same had been approved by Committee of Creditor by 67.08 per cent votes, it was held that promoters of resolution applicant were in same line of business as that of corporate debtor and so had better understanding of manufacturing process, market as well as technical aspects and, therefore, resolution plan having met requirements of sections 30 and 31 was to be approved

Updates related to Money Market/Banks by RBI

- **The Reserve Bank of India released Lending Rates of Scheduled Commercial Banks based on data received during the month of November 2019.**
  Read this release

Updates related to Latest developments in Economy & Finance world

- **Services sector activity grows on strong demand in Nov, PMI rises to 52.7**
  Growth returned to services sector as activity increased in November, following two-straight months of contraction, according to a global survey released on Wednesday. The widely tracked Nikkei India Services Purchasing Managers Index (PMI) stood at 52.7 in November, up from 49.2 in October and 48.7 in September. In PMI parlance, the 50-mark threshold separates expansion from contraction. Growth had peaked at a 43-month high of 54.7 in August.
  Business Standard report

- **Firms under IBC: Govt to allow resolution professionals to make filings**
  The Ministry of Corporate Affairs (MCA) has decided to empower resolution professionals (RPs) to file routine compliances, said a senior government official, in what may bring relief to companies undergoing insolvency struggling with routine filings. Since powers of the board of directors get suspended as soon as a company is admitted to insolvency, it becomes challenging to make several routine filings. The status of the company in MCA master data will reflect if it is undergoing corporate insolvency resolution, liquidation or dissolution. The RP will authorise all filings, including financial statements and annual returns," the official said.
  Businesses Standard Report

- **Govt looks to ease lending rules for NBFCs to lift cash-starved financiers**
  The cabinet is likely to discuss allowing state banks to provide so-called credit enhancement against securities rated BBB+ to non-bank financiers, the people said, asking not to be identified before a public announcement. That's the fifth level below what's permitted under the current plan.
  Business Standard Report

Knowledge shared= Knowledge^2

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About Scribbler

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Profile

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