

THE DAILY LIFELINE

Official Newsletter of Diucon



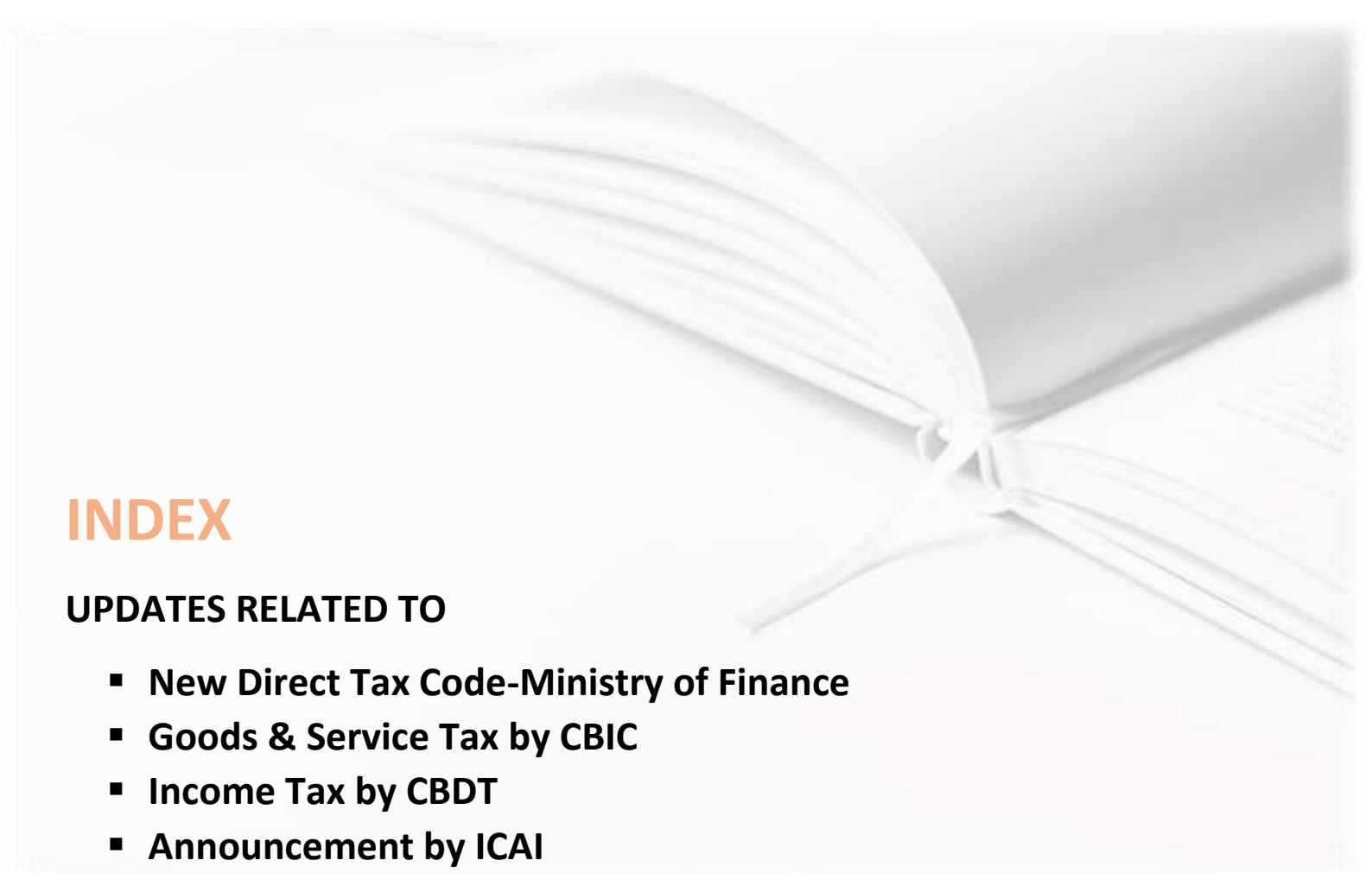
WHAT'S NEW IN PROFESSIONAL/ BUSINESS WORLD TODAY:

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

- **New Direct Tax Code-Ministry of Finance**
- **Goods & Service Tax by CBIC**
- **Income Tax by CBDT**
- **Announcement by ICAI**
- **Announcements by ICSI**
- **Corporate Laws by MCA**
- **The Insolvency and Bankruptcy Law by IBBI**
- **Listing/Market by SEBI**
- **Foreign Trade Policy by DGFT**
- **Start-ups by Start Up India Department**
- **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

- ❖ All about Works Contract in GST Regime- CBIC E-flyer

[Download here](#)

- ❖ Updates on 38th GST Council meeting held on 19th December, 2019

- **Presentation on GST Revenue Trends**

A presentation was made to the Council on the issue of revenue, GST rate structure and compensation needs of the States. The presentation was based on discussions in the Committee of officers of State and Centre on revenue augmentation. The revenue trends since inception of GST & more details at below link-

[Click here for detailed presentation-](#) Source Fin-Min Release

- **Decisions On Rate Changes**

- a) To exempt upfront amount payable for long term lease of industrial/ financial infrastructure plots by an entity having 20% or more ownership of Central or State Government. Presently, the exemption is available to an entity having 50% or more ownership of Central or State Government. This change shall become effective from 1st January, 2020.
- b) To levy a single rate of GST @ 28% on both State run and State authorized lottery. This change shall become effective from 1st March, 2020.
- c) GST rate on Woven and Non-Woven Bags and sacks of polyethylene or polypropylene strips or the like, whether or not laminated, of a kind used for packing of goods (HS code 3923/6305) in view of the requests received post the changes recommended on such goods in last meeting and recommended to raise the GST to a uniform rate of 18%(from 12%) on all such bags falling under HS 3923/6305 including Flexible Intermediate Bulk Containers (FIBC). This change shall become effective from 1st January, 2020.

[\[Source- Fin-Min Release\]](#)

▪ **Decisions regarding Law and Procedure related changes**

- a) Grievance Redressal Committees (GRC) will be constituted at Zonal/State level with both CGST and SGST officers and including representatives of trade and industry and other GST stakeholders (GST practitioners and GSTN etc.). These committees will address grievances of specific/ general nature of taxpayers at the Zonal/ State level.
- b) Due date for annual return in FORM GSTR-9 and reconciliation statement in FORM GSTR-9C for FY 2017-18 to be extended to 31.01.2020.
- c) Following measures would be taken to improve filing of FORM GSTR-1:
 - waiver of late fee to be given to all taxpayers in respect of all pending FORM GSTR-1 from July 2017 to November 2019, if the same are filed by 10.01.2020.
 - E-way Bill for taxpayers who have not filed their FORM GSTR-1 for two tax periods shall be blocked.
 - Input tax credit to the recipient in respect of invoices or debit notes that are not reflected in his FORM GSTR-2A shall be restricted to 10% of the eligible credit available in respect of invoices or debit notes reflected in his FORM GSTR-2A.
 - To check the menace of fake invoices, suitable action to be taken for blocking of fraudulently availed input tax credit in certain situations.
 - A Standard Operating Procedure for tax officers would be issued in respect of action to be taken in cases of non-filing of FORM GSTR 3B returns.
 - Due date of filing GST returns for the month of November, 2019 to be extended in respect of a few North Eastern States.
 - The Council also approved various law amendments which will be introduced in Budget 2020

[\[Source: Fin-Min release\]](#)

▪ **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] 112 taxmann.com 62 Jilmon John v. State of Kerala W.P. (C) NO. 27226 OF 2018 MARCH 20, 2019	Kerala High Court	Order	Where assessee, in response to e-tender notice dated 20-5-2017 issued by Superintending Engineer, submitted a tender on 3-6-2017 taking into account rate of works tax at 4 per cent and thereafter GST regime was implemented imposing GST at 18 per cent on value of works and Superintending Engineer vide letter dated 14-7-2007 accepted tender and assessee filed writ petition seeking to quash letter dated 14-7-2017, assessee was not entitled to get any relief.



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] 112 taxmann.com 73 Parakkadavil Mohammed Kunju Ansari v. ITO, Ward-1, Kottayam	Kerala High Court	Assessment order couldn't be set-aside just on ground that no personal hearing was given to assessee

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

- ❖ **CBI arrests sacked Income Tax Commissioner Sanjay Kumar Srivastava**

The CBI on Tuesday, arrested retired Income Tax Commissioner Sanjay Kumar Srivastava who was booked by the agency this July. Srivastava was sacked by the government earlier this year on charges of passing backdated appeal orders to obtain undue benefits as Commissioner of IT (Appeals) in Noida.

It is alleged that Srivastava as Commissioner, Income Tax (Appeals), Noida passed 104 backdated orders in June, 2019 -- the month he was given forced retirement by Government.

[\[Source- ET Report\]](#)



Updates related to Announcement by ICSI

- ❖ **ICSI released utility for E-Admit Card Foundation Programme (CBE) Examination- December,2019**

[Click here for more](#)



The Insolvency and Bankruptcy Law.

- **Legal updates- NCLAT | Court**

Sr.No.	Key to find the document	NCLAT/Court	Summary
1	2019] 111 taxmann.com 435 Sales Tax Department v. Aryavart Chemicals (P.) Ltd. COMPANY APPEAL (AT) (INSOLVENCY) NO. 607 OF 2019, JULY 24, 2019	NCLAT-Delhi	No discrimination could be alleged when ESIC & PF were provided up-to 100% claim as compared to Sale Tax



Listing/Market by SEBI

- ❖ **SEBI issued its December month bulletin**

[Read it here](#)



Updates related to Latest developments in Economy & Finance world

- ❖ **Smt. Nirmala Sitharaman holds Pre-Budget consultation with Finance Ministers of State/UTs**

Smt. Sitharaman elucidated Union Government's philosophy of "Cooperative Federalism" and steps taken by the Union Government to bolster growth of the economy. State Governments welcomed the opportunity to present their views and expressed their suggestions on growth, investment, resource requirement and Fiscal Policy. They also suggested measures to strengthen cooperation between States and Centre to attain \$5 trillion economy. The Finance Minister welcomed the suggestions made by the State/UTs in the meeting. She assured that the memorandums submitted by State/UTs will be examined and suitably considered.

[Source- Fin-Min Release](#)

- ❖ **NCLAT ruling on Mistry: Order raises questions on corporate governance**

Even as the spat between Ratan Tata and Cyrus Mistry headed for the Supreme Court (SC), the NCLAT verdict on Wednesday raised several questions for corporate governance. Lawyers expect the Tata group to move the SC as soon as it reopens after the winter vacations. It has four weeks to do so. At the same time, experts said it might lead to a settlement between the warring parties. "The verdict is quite interesting... it remains to be seen how the SC reacts to it," said Vaibhav Kakkar, partner, L&L Partners. Last month, the SC had overturned a NCLAT order on Essar Steel, clearing the deck for its takeover by global steel giant ArcelorMittal.

[Source- Business Standard](#)

- ❖ **A hard task master: NCLAT chairman ruffles many feathers, yet again**

Mukhopadhyaya's latest ruling restoring Cyrus Mistry as Tata Sons chairman came as a rude shock to the salt-to-software behemoth.

[Source-Business Standard](#)

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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 dark blue shirt and a patterned tie. His hands are clasped together in front of him, and he is wearing a black watch with a silver face on his left wrist. He is looking slightly to the right with a serious expression. The background is blurred, showing what appears to be a 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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