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THE DAILY LIFELINE

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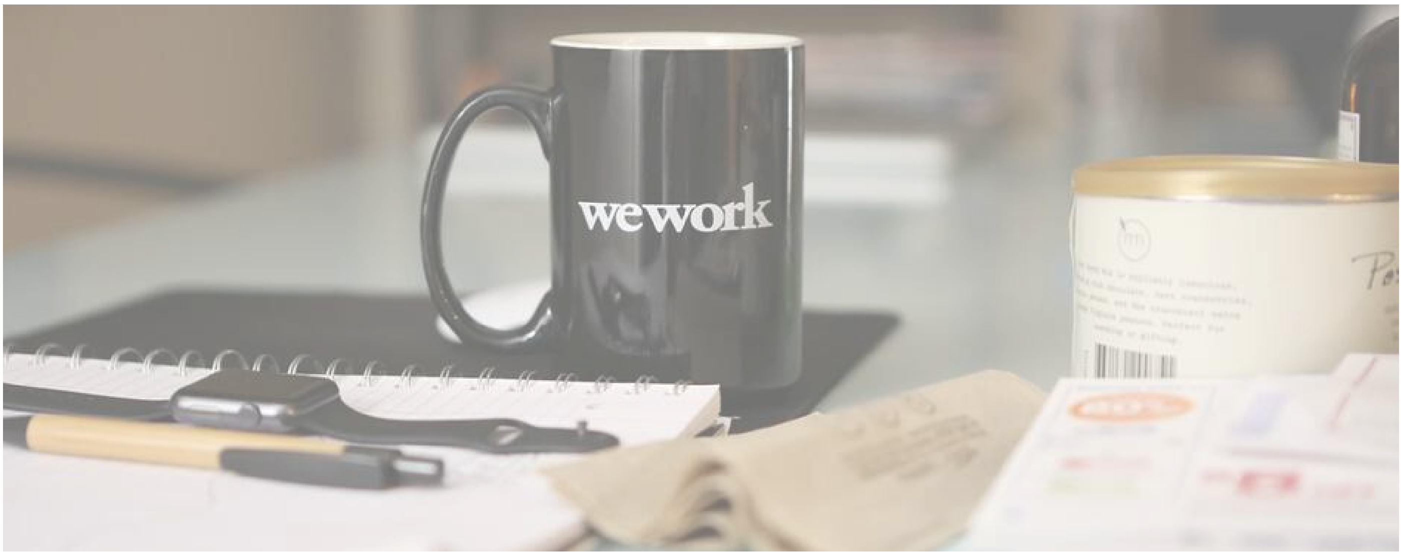

WHAT'S NEW IN PROFESSIONAL/ BUSINESS WORLD TODAY:

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**

❖ **Now do not make a default in filing your GST returns beyond 15 days of due date.**
CBIC issued Standard Operating Procedures (SOPs) to be applied by its field formations in case of non-furnishing of return under section 39 or section 44 or section 45 of the Central Goods and Services Tax Act, 2017.

[CBIC Circular No 129/48/2019 – GST dated 24th December, 2019]

Summary of Guidelines to be followed by proper officer

- System generated message *3 days before the due date* of filing of the return for the tax period by the due date;
- Once the due date is over, a system generated mail / message *as a reminder to all the defaulters* immediately after the due date;
- *5 days after the due date*, a notice in FORM GSTR-3A be issued electronically to such registered person who fails to furnish return under section 39, *requiring him to furnish such return within 15 days*;
- In case the said return is still *not filed by the defaulter within 15 days of the said notice*, the proper officer will *make best judgement assessment on the basis of GSTR-1, 2A and E-way bills or other information* by issuing order in FORM GST ASMT-13 & upload the summary in FORM GST DRC07;
- In case the defaulter *furnishes a valid return within 30 days of the service of assessment order in FORM GST ASMT-13*, the said assessment order be withdrawn. However, if the said return remains unfurnished within the statutory period of 30 days from issuance of order in FORM ASMT-13, then proper officer may initiate proceedings under section 78 and recovery under section 79 of the CGST Act and proceedings for cancellation of registration will be initiated.

❖ **GSTN explains about the E-Invoice through 'Myth vs Reality'**
Click for details, FAQs and Format

❖ **All about Job Work in GST**
CBIC E-flyer- download 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 284 NRB Hydraulics (P.) Ltd., In re ORDER NO. GST-ARA-27/2019-20/B-120 DECEMBER 3, 2019	AAR-Maharashtra	Advance Ruling	Application for advance ruling rejected as question raised was not related to goods/services supplied by applicant.

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

❖ **Panel favours 2 GST slabs, rate rejig for some items**

The government may consider collapsing the five goods and services tax (GST) slabs into two and address inverted duty structure distortions in order to simplify the system and combat a shortfall in collections. These were among the recommendations made by a committee of officials from the Centre and the states on GST revenue augmentation, said people with knowledge of the matter. *Source: ET Report*

❖ **Niti Aayog member bats for 2 GST slabs, says rates should not be revised frequently**

Government think-tank Niti Aayog member Ramesh Chand on Wednesday made a case for only two slabs under the goods and service tax regime as against the multiple slabs currently, and said rates should be revised annually if required.

Source: ET Report

❖ **Non-filing of GST returns may lead to attachment of bank a/cs**

Non-filing of GST (Goods & Services Tax) returns may lead to attachment of bank accounts and even cancellation of registrations. This is part of the Standard Operating Procedure (SOP) issued by the Finance Ministry to be followed in case of non-filing of returns. Source: Business-Line

❖ **CBIC moves to constitute GST grievance redressal committee**

The Central Board of Indirect Taxes and Customs has set the ball rolling to create goods and services tax grievance redressal committees expeditiously at zonal and state levels. The council at a meeting on December 18 decided that a structured mechanism be put in place for the taxpayers under GST to tackle the grievances of taxpayers. The GST policy wing has prescribed the guidelines and written to all principal chief commissioners and chief commissioners to set up the cells. *Source: ET Report*

❖ CGST surat of Vadodara zone detected a case of fake ITC of Rs. 40 Crore on Rs. 600 Crore of goods on fake invoices issued by about 20 fake firms. illegal refund of Rs. 20 Crores on fake ITC has been encashed one person arrested. investigations are in progress.

The Insolvency and Bankruptcy Law.

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

❖ **Cabinet approves Promulgation of the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2019.**

The Union Cabinet approved a proposal to promulgate an Ordinance and to amend the Insolvency and Bankruptcy Code, 2016. The Amendment will remove certain ambiguities in the Insolvency and Bankruptcy Code, 2016 and ensure smooth implementation of the Code.

Read this press release for more

- **Legal updates- NCLAT | Court**

Sr.No.	Key to find the document	NCLAT/Court	Summary
1	2019] 112 taxmann.com 40 (NCLT - Allahabad) Avail Financial Services Ltd. v. Sun world City (P.) Ltd. CP NO. (IB) NO. 219 (ALD) OF 2019 OCTOBER 4, 2019	NCLT Ahmedabad	Loan granted by applicant didn't fall under financial debt in absence of records to prove agreed rate of interest

Sr.No.	Key to find the document	NCLAT/Court	Summary
2	[2019] 112 taxmann.com 38 CS Dr. Ahalada Rao. v. Bevcon Wayors (P.) Ltd. IA NO. 920 OF 2019 OCTOBER 23, 2019	NCLT - Hyderabad	Where after admission of CIRP but before public announcement or constitution of CoC, parties reached to an amicable settlement, CIRP was to be withdrawn

Listing/Market by SEBI

- **SEBI issues Circular on Investment in units of Mutual Funds in the name of minor through guardian and ease of process for transmission of units.**
  Download here

- **SEBI issues circular for Stewardship Code for all Mutual Funds and all categories of AIFs, in relation to their investment in listed equities.**
  Download here

- **SEBI issues Framework for listing of Commercial Paper-Amendments**
  Download circular here

- **SEBI issues Format on Statement of Deviation or Variation for proceeds of public issue, rights issue, preferential issue, Qualified Institutions Placement (QIP) etc.**
  Download Circular here

Updates related to Money Market/Banks by RBI

- **Reserve Bank released its web publication entitled 'Statistical Tables Relating to Banks in India: 2018-19' covering the activities of scheduled commercial banks (excluding regional rural banks). The state-wise distribution of consolidated balance sheet of rural co-operative banks are also covered.**
  Download here

Updates related to Latest developments in Economy & Finance world

❖ **Recovery of stressed assets improved marginally in FY19 driven by IBC: RBI**

In 2018-19 (FY19), the recovery of stressed assets increased marginally, mainly driven by resolutions under the Insolvency and Bankruptcy Code (IBC). Cases referred for recovery under various mechanisms grew over 27 per cent in volume and tripled in value during the year, leading to a pile-up of bankruptcy proceedings. In FY19, around Rs 8.15 trillion worth of stressed assets were involved in the recovery process, up more than 200 per cent from Rs 2.70 trillion in 2017-18. The amount involved under IBC was Rs 1.66 trillion and more than Rs 70,819 crore was recovered, with a recovery rate of 42.5 per cent. However, recovery rates yielded by major resolution mechanisms (except Lok Adalats) declined in FY19, especially through the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest mechanism.

Business Standard Report

❖ **Bad loans taken over by ARCs rose 17.4% in 12 months ended June 2019**

The total of loans classified as non-performing by lenders and acquired by asset reconstruction companies (ARCs) rose 17.4 per cent to Rs 3.8 trillion in the 12 months ended June 2019. However, the amount they bought of such non-performing assets (NPAs) in the 12-month period was less, at Rs 57,506 crore, from the Rs 67,830 crore they acquired in the previous such one-year period. According to the Reserve Bank of India (RBI) data, security receipts (SRs) redeemed by ARCs jumped to Rs 12,906 crore as on June 2019, from Rs 8,830 crore in June 2018. This is pay out to the investors in the SRs, says the report on Trend and progress on banking in India 2018-19, issued on Tuesday. Unredeemed SRs rose to Rs 114,615 crore in June, from Rs 98,118 crore a year ago.

Business Standard Report

Knowledge shared= Knowledge^2

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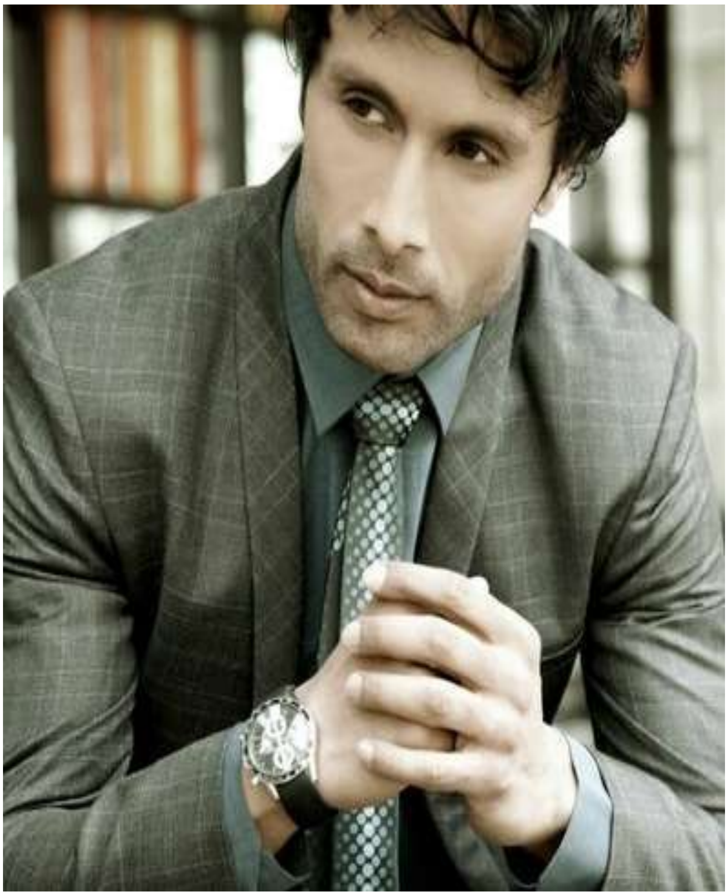

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Profile *Page*

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