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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
- Insolvency Laws

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

Updates related to Goods & Service Tax & other Indirect taxes by CBIC

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

  - Considering the difficulties being faced by taxpayers in filing GSTR-9 and GSTR-9C for FY 2017-18, CBIC extended the due dates in a staggered manner for different groups of States to 3rd, 5th and 7th February 2020 as under. Notifications will follow.

- **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
1	[2020] 113 taxmann.com 347 Maps Global v. Union of India* W.P. (C) NO. 11703 OF 2019 NOVEMBER 6, 2019	Delhi High Court	Where assessee's bank accounts had been frozen by Competent Authority and no order had been served, Competent Authority was to be directed to produce record. Where assessee's bank accounts had been frozen by Competent Authority and no order had been served upon it, Competent Authority was to be directed to produce original record and order passed in terms of section 83 read with rule 159

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

  - **GST collection crosses Rs 1.1 lakh crore in January**
    GST collections have crossed the Rs 1 lakh crore mark for the third month in a row in January with improved compliance and plugging of evasion, sources said on Friday. According to provisional numbers, total GST revenue was Rs 1.1 lakh crore in January, they said.
    ET Report

- **Govt summons Infosys to explain glitches in GST return filing**

  The government has called senior executives of Infosys Ltd, seeking explanation on glitches that some taxpayers face while filing goods and services tax (GST) returns. Executives from Infosys, the technology service provider for the new indirect tax regime, are scheduled to meet finance ministry officials.

  Mint report

- **Economic Survey warns Centre, states' fiscal health depends on GST mop-up**

  Growth in Goods and Services Tax (GST) collections holds the key to the fiscal health of the Union and state governments in the future, the Economic Survey for fiscal 2019-20 tabled in Parliament by Union finance minister Nirmala Sitharaman on Friday said, hinting that an overhaul to the tax system may be on the cards.

  Mint report

- **Taxmen flag two cases of fraud in Delhi amid crackdown on fake invoicing**

  The officers of Anti Evasion wing of Central Tax, Delhi West Commissionerate have bust a major racket of fake invoicing of Rs. 1200 crores involving fraudulent Input Tax Credit (ITC) of Rs. 124 crores, using a network of 49 shell companies with the arrest of one Daya Shankar Kushwaha. He was found to have fraudulently obtained two different PAN cards using photographs which were photo shopped and created 14 firms. The remaining 35 firms were created through identify theft by using KYC documents of poor individuals. In all, the accused had created 297 firms some of which were used for banking transactions and others were just parked on the shelf for using later. Initial investigation has led to a discovery of over 60 bank accounts till now, which were being used for circular transactions to make them appear genuine. Fake invoices were issued to buyers, who availed the fraudulent input tax credit without actually receiving any goods. Sh. Daya Shankar Kushwaha also admitted to investigators that no actual movement of goods took place against the invoices, which has been corroborated through data mining on the NIC's e-waybill portal.

  ET Report

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	[2020] 113 taxmann.com 565 Income-tax Officer v. Commitment Financial Services (P.) Ltd. IT APPEAL NO. 107 (DELHI) OF 2017 JANUARY 23, 2020	ITAT Delhi	Where in respect of share application money received, assessee-company brought on record sufficient evidence in form of bank account particulars, PAN, ITRs and financials of share applicants so as to prove genuineness of those transactions, in such circumstances, impugned addition under section 68 could not be sustained merely on account of non-production of directors of company without bringing any other contrary material on record

Updates related to Announcement by ICSI

- **ICSI announce Placement Drive for Members**
  Announcement here

Corporate Laws by MCA

- **MCA notified Companies (Accounts) Amendment Rules, 2020**
  In the Companies (Accounts) Rules, 2014, in rule 12, after sub-rule (1), the following sub-rule inserted, namely: -
  "(1A) Every NBFC that is required to comply with Indian Accounting Standards (Ind AS) shall file the financial statements with Registrar together with Form AOC-4 NBFC (Ind AS) and the consolidated financial statement, if any, with Form AOC-4 CFS NBFC (Ind AS)." FORM NO. AOC-4- NBFC (Ind AS) also notified.
  Notification here

❖ MCA announced to relax of additional fees and extension of last date of filing of AoC-4 NBFC (Ind AS) and AoC-4 CFS NBFC (Ind AS) for FY 2018-19 under the Companies Act, 2013 up-to 31st March 2020.
Circular here

❖ Central Government directs hat the provisions of section 460 "Condonation of Delay in Certain Cases" of the Companies Act, 2013 (18 of 2013) shall apply to a limited liability partnership.
Read this notification

The Insolvency and Bankruptcy Law.

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

❖ MCA notifies the manner of dealing with the third party assets in custody or possession of such financial service providers, as referred to in the notification vide No. S.O. 4139(E), dated 18th November, 2019, by the Administrator appointed under clause (a) of rule 5 of the said rules.
Read this notification S.O. 464(E), 30th January, 2020

- **Legal updates- NCLT | NCLAT | Courts**

Sr.No.	Key to find the document	NCLAT/Court	Summary
1	[2020] 113 taxmann.com 307 Punjab National Bank. v. Guman Furniture and Services (P.) Ltd. IB NO. 45/7/JPR/2018 IA NO. 267 JPR/2019 OCTOBER 1, 2019	NCLT jaipur	Corporate debtor company was to be liquidated, where neither any information pertaining to financial statements nor assets belonging to it was ascertained nor whereabouts of any of erstwhile directors of corporate debtor company were known to CoC or RP, and CoC unanimously resolved to proceed with liquidation of corporate debtor company

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

- **Insolvency and Bankruptcy Code Improves Resolution Process: Reegistering a 4-Fold Decline in Resolution Time.**
  The Economic Survey 2019-20 highlights that The Insolvency and Bankruptcy Code (IBC) has improved resolution processes in India compared to the earlier measures. The IBC proceedings take 340 days on an average compared to 4.3 years earlier and resulted in recovery of 42.5% amount involved compared to 14.5% under SARFAESI Act. The Union Minister for Finance and Corporate Affairs Smt. Nirmala Sitharaman presented the Economic Survey in Parliament today.
  Fin Min Release

Updates related to Latest developments in Economy & Finance world

- **India Jumps up 79 positions in World Bank Doing Business Rankings, Improving from 142 In 2014 To 63 in 2019.**
  The Union Minister for Finance &Corporate Affairs, Smt Nirmala Sitharaman presented the Economic Survey 2019-20 in Parliament today. The FM informed that India has jumped up 79 positions in World Bank's Doing Business rankings, improving from 142 in 2014 to 63 in 2019. It has progressed on seven out of the 10 parameters. The Goods and Service Tax (GST) and the Insolvency and Bankruptcy Code (IBC) top the list of reforms that have propelled India's rise in rankings. However, it continues to trail in parameters such as Ease of Starting Business (rank 136), Registering Property (rank 154), Paying Taxes (rank 115), and Enforcing Contracts (rank 163).
  Business Standard Report

- **India Ranks Third in Number of New Firms Created; 1,24,000 New Firms Created in 2018 Compared to 70,000 In 2014**
  The Union Minister for Finance &Corporate Affairs, Smt Nirmala Sitharaman presented the Economic Survey 2019-20 in Parliament today. The Survey stated thatas per World Bank's Data on Entrepreneurship, it is seen that India ranks third in number of new firms created. The same data shows that new firm creation has gone up dramatically in India since 2014. While the number of new firms in the formal sector grew at a cumulative annual growth rate of 3.8 per cent from 2006-2014, the growth rate from 2014 to 2018 has been 12.2 per cent. As a result, from about 70,000 new firms created in 2014, the number has grown by about 80 per cent to about 1,24,000 new firms in 2018.
  Fin Min Release IBC process needs to speed up; private investment may remain muted

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Knowledge shared= Knowledge^2

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About Scribbler

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