

THE DAILY LIFELINE

Official Newsletter of Diucon



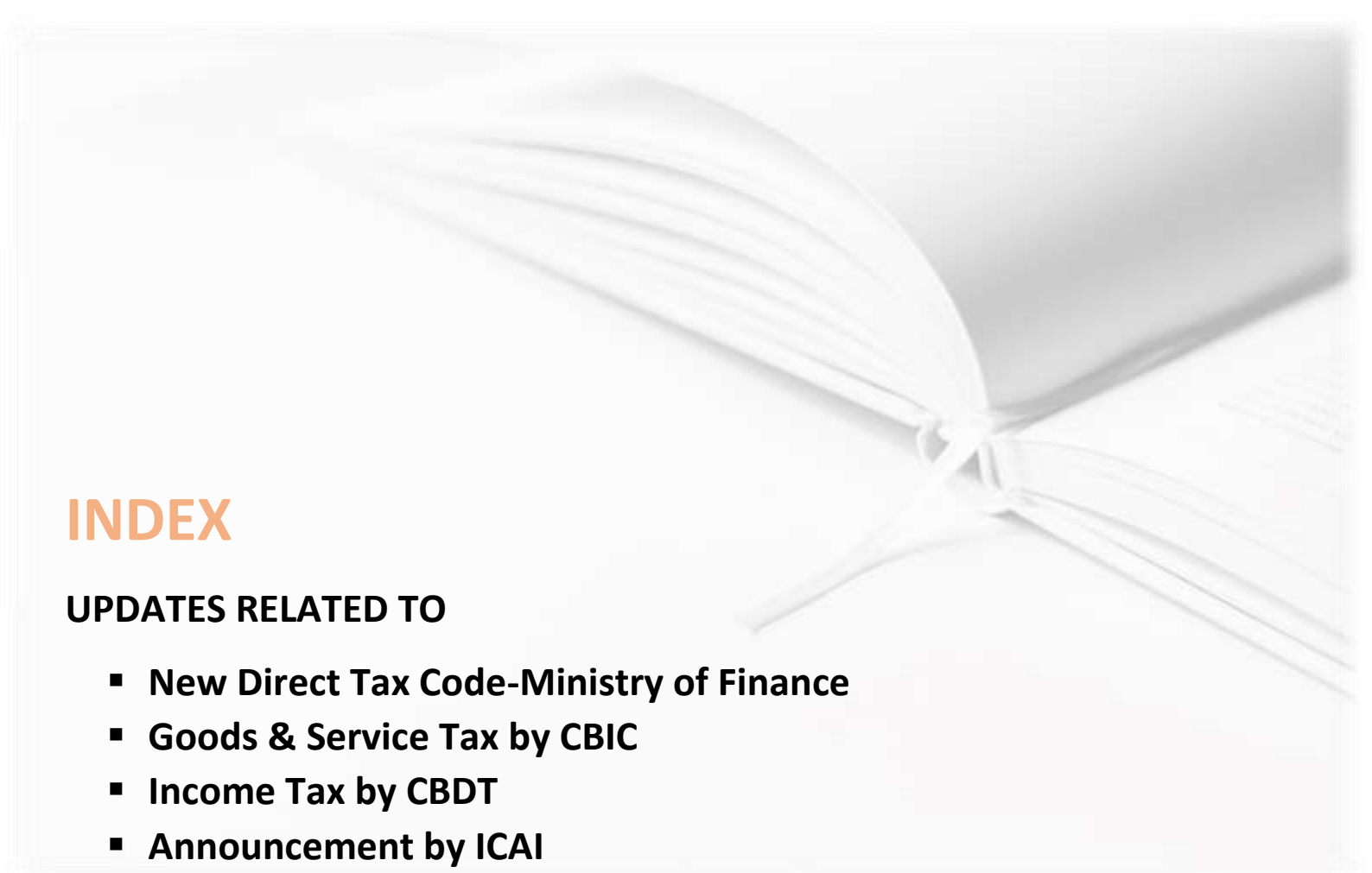
WHAT'S NEW IN PROFESSIONAL/ BUSINESS WORLD TODAY:

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 | CPA, 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**

- ❖ **CBIC issued its weekly GST update dated 8th February, 2020**

This covers the GST changes / observations/ press releases/ Tweet FAQs/ Sectoral FAQs released by CBEC since the last update on 01.02.2020. It supplements the earlier GST Updates.

[Download your copy here](#)

- ❖ **CBIC issues mechanism for Sanction of Prosecution of Group -'A' Officers of Customs and GST in some cases.**

[Circular No. 12/2020-Customs dated 10.02.2020](#)

- ❖ **Pilot run of Vehicle Number Verification for Karnataka**

E-Way Bill system is now integrated with Vaahan system of Transport Department. Vehicle (RC) number entered in e-waybill will be verified with Vaahan data for its existence/correctness. If the vehicle number does not exist, then system will alert the user to check and correct, if required. If the vehicle (RC) number is correct as per the tax payer, then he can continue with generation of E-Way Bill. However, he needs to get the vehicle number updated in the vaahan database so that in future E-Way Bill generation will not be affected.

[Download FAQs on Verification of Vehicle number in EWB Portal](#)

[Click this link to open Vahan System](#) which provides a nationwide search over the digitized data of Registered Vehicles.

- ❖ **Finance Ministry issued a statement on Regulation of irregularities in GST claims**

To identify cases of fraudulent claims under Goods & Services Tax (GST), the Government of India has taken measures to apply stringent risk parameters-based checks driven by rigorous data analytics and Artificial Intelligence (AI) tools based on which certain taxpayers are taken up for further verification. Moreover, a standard operating procedure has been prescribed for exporters vide Circular No. 131/1/2020-GST dated 23.01.2020 to mitigate the risk of wrongful refund claims of Integrated Goods and Services Tax (IGST).

[Press Release is 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
1	[2020] 114 taxmann.com 201 Union of India v. Tax Bar Association FOR SPECIAL LEAVE TO APPEAL (C) NO(S). 3839/2020 FEBRUARY 10, 2020	Supreme Court	Supreme Court refuses to interfere with order of High Court in Tax Bar Association v. Union of India [2020] 114 taxmann.com 121 (Rajasthan), however, on basis of statement of petitioner/Solicitor General to Supreme Court that only Rs. 200 per day is being charged for filing of late returns beyond 12-2-2020 and his assurance that authorities, both under Central as well as State Acts, will not invoke any penal powers in this behalf, that part of order of High Court which had extended deadline for submitting GSTR9 and GSTR9C returns is stayed.
2	[2020] 113 taxmann.com 394 Sakul Nazar Mohmd v. State of Gujarat R/SPECIAL CIVIL APPLICATION NO. 15655 OF 2019 SEPTEMBER 19, 2019	Gujrat High Court	Where Competent Authority had detained goods of assessee under transport as well as vehicle on ground of undervaluation of invoice, said authority was to be directed to release goods and vehicle to assessee stating that undervaluation of an invoice cannot be a ground for detention of goods under section 129.



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 574 (Bombay) PCIT v. Goa Coastal Resorts and Recreation (P.) Ltd.* TAX APPEAL NO. 24 OF 2019 NOVEMBER 11, 2019	Bombay High Court	Where there was no record of satisfaction by Assessing Officer in relation to any concealment of income or furnishing of inaccurate particulars by assessee in notice issued for initiation of penalty proceedings under section 271(1)(c), same being sine qua non for initiation of such proceedings, Tribunal had rightly ordered to drop penalty proceedings
2	[2020] 113 taxmann.com 391 Principal Commissioner of Income Tax v. Agribiotech Industries Ltd. SLP (CIVIL) DIARY NO(S). 38322 OF 2018 AUGUST 23, 2019	Supreme Court	SLP granted against High Court ruling that where assessee, engaged in business of manufacturing of ENA (Extra Neutral Alcohol), gave an affidavit to Excise department that excise verification issued by Excise Authority of importing State would be submitted within 90 days of exporting ENA from its distillery, since assessee failed to comply with said condition, payment made in respect of discharging contractual obligation to indemnify Excise department could not be regarded as penal in nature and, thus, assessee's claim for deduction of same under section 37(1) was to be allowed.

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

- ❖ **Income Tax dept issues notices in 422 cases for undisclosed foreign assets**

Income Tax department has issued notices in 422 cases involving undisclosed foreign assets and income of over Rs 12,600 crore till December 31, 2019, minister of state for finance Anurag Thakur said in a written reply in Rajya Sabha, Tuesday, on the concerted efforts taken by the government to recover black money hidden in foreign countries.

[ET Report](#)



Updates related to Announcement by ICAI

- ❖ **ICAI issues Exposure Draft on Guidance Note on Audit of Banks (2020 Edition) and invite comments.**

[Here is the draft](#)

- ❖ **‘All-in-One Accounting’ software - A cloud based Accounting and Compliance solution: An arrangement by the Committee for Capacity Building of Members in Practice**

The Committee for Capacity Building of Members in Practice (CCBMP) of the Institute of Chartered Accountants of India (ICAI) has arranged Cloud based ‘All-in-One accounting’ software i.e. one Stop Solution for all Accounting, Compliance, Return Preparation and Filing needs of Chartered Accountants in Practice & CA Firms. The aforesaid software is free of cost for 3 years to CA Practitioners & Firms. Please visit [this link](#) for all your accounting and compliance need.

[Read this announcement](#)

- ❖ **Arrangement of ICAI for GST Software (Annual Returns)- Cloud Solution for GST Annual Returns**

An Arrangement of the Committee for Capacity Building of Members in Practice the Committee has arranged the ‘GST Software (Annual Returns)’ for Practicing Chartered Accountants & CA Firms of ICAI. ICAI have worked out a Special Offer for Members and CA Firms in Practice.

[Read this announcement](#)

- ❖ **Arrangement for XBRL software Practitioners & CA Firms: An initiative of the Committee for Capacity Building Members in Practice (CCBMP), ICAI.**

[Read this announcement](#)



Corporate Laws by MCA

- ❖ **MCA invites applications for empanelment of firms (Partnerships /Limited Liability Partnerships/Proprietary Concerns) of Practicing Chartered Accountants as Technical Reviewers with the National Financial Reporting Authority (NFRA).**

[Here is the release](#)

- ❖ **MCA issued a statement of steps taken towards reduction of cost of compliance for companies.**

The Ministry of Corporate Affairs (MCA) administers Companies Act/ Limited Liability Partnership Act. The MCA has been taking steps on an ongoing basis by amending the Act and the rules and forms thereunder, from time to time in the years 2015, 2017 & 2019, to reduce the cost of compliance and for ease of doing business. This was stated by Shri Anurag Singh Thakur, Union Minister of State for Finance & Corporate Affairs, in a written reply to a question in Rajya Sabha.

[Read this press release of Fin-Min](#)

- ❖ **Ministry of Law & Justice issues Draft Arbitration Council of India (ACI) Rules issued for public consultation.**

[Here is press release](#)

- ❖ **Ministry of Law & Justice issues Draft New Delhi International Arbitration Centre (NDIAC) Rules issued for public consultation.**

[Here is press release](#)



The Insolvency and Bankruptcy Law.

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

Sr.No.	Key to find the document	NCLAT/Court	Summary
1	[2020] 113 taxmann.com 398 Scorpion Express (P.) Ltd. v. Gufic Bioscience Ltd. MA NO. 3604/2019 (IB)	NCLT Mumbai	Where all disputes between parties were amicably settled and operational creditor received full and final settlement amount, CIRP order which was passed, was to be withdrawn

Sr.No.	Key to find the document	NCLAT/Court	Summary
2	[2020] 113 taxmann.com 401 T.R. Ravichandran v. Assistant Commissioner (ST) IBA NO. 130 OF 2019 MA NO. 1298 OF 2019 DECEMBER 5, 2019	NCLT Chennai	Corporate debtor was allowed to have access to its GST portal permitting it to file GST return for period after admission of CIR petition.



Updates related to Money Market/Banks by RBI

❖ **RBI issued guidelines for Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances.**

A one-time restructuring of existing loans to MSMEs classified as 'standard' without a downgrade in the asset classification is permitted, subject to certain conditions.

[Read this notification](#)



Updates related to Latest developments in Economy & Finance world

❖ **Budget proposal on remittances abroad triggers fears of double taxation**

The Budget proposal to impose a new tax on remitting money abroad has triggered fears of double taxation. In the Union Budget 2020, the government proposed that banks that received Rs 7 lakh and above from a person for remitting money overseas under the Reserve Bank of India's (RBI's) Liberalised Remittance Scheme (LRS) or from the seller of a tour package would debit 5 per cent of the remitted amount as tax.

[Business Standard Report](#)

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- ❖ **Fellow Member** of the Institute of Chartered Accountants of India.
- ❖ **Associate member** of Professional Accounting Body of Certified Practising Accountants (CPA), Australia.
- ❖ **Registered Valuer with IBBI-** Asset Class- Securities or Financial Assets
- ❖ **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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