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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 | 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**

  - **Central Board of Indirect Taxes and Customs starts capturing district-wise data or origin of export goods.**
    This additional information from the export declarations will provide a key statistical input to policy makers on the importance of each district for exports and will help in aligning the policies to enhance local capacity. Additionally, the export declarations would now also capture declarations by exporters intending to avail India's Free and Preferential Trade Agreements (FTAs/PTAs) being exported to partner countries. This would provide critical data on the gains being made by Indian exporters under FTAs/PTAs and help the Government align India's foreign trade policy in nation's best interests.

  - CBIC has now made it mandatory that every GST registered importer and exporter must declare their GSTIN on the import and export declarations. Not only will this help the taxpayers to claim the ITC Credit and IGST Refunds, it would also help in combatting frauds.

    Source- Fin Min Press 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
1	[2020] 113 taxmann.com 616 Kalpana Stores v. State of Tripura WP (C) NO. 729 OF 2019	High Court of Tripura	Where Competent Authority had detained goods of assessee under transport as well as vehicle and straightway passed order of demand of tax and penalty, said Authority was to be directed to give a notice of hearing to assessee and thereafter pass a speaking order.

Sr.No.	Key to find the document	Court/ARA/AAAR	Description
2	[2020] 113 taxmann.com 622 Kushal Ltd. v. Union of India CIVIL APPLICATION NO. 19533 OF 2019 DECEMBER 17, 2019	Gujrat High Court	Where Competent Authority, in exercise of powers under section 83, had provisionally attached bank accounts of assessee, as proceedings under section 62, 63, 64, 67, 73 or 74 were no longer pending against assessee, order of provisional assessment was without authority of law and required to be quashed.
3	[2020] 114 taxmann.com 306 Sice-Vaaan Joint Venture, In re ORDER NO. 39 SEPTEMBER 6, 2019	Authority for Advance Rulings, Uttar Pradesh	Composite supply of works contract to NHAI for installation of Intelligent Transport System is liable to 12% GST

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

❖ **Undue haste to collect GST interest**

Tax officials should wait until all the States pass the necessary amendment on interest on GST delays. Even as the Finance Ministry is attempting to close the ₹11-trillion pending direct and indirect tax demands, that have become a veritable source of embarrassment for the Centre, the CBIC is getting ready to create a new pile of tax disputes. GST officials have recently been asked to collect interest amounting to nearly ₹46,000 crores for delayed payment of the GST. This is likely to lead to numerous litigations, since most GST assessees filed their taxes late in the initial years when the technical problems with the GSTN led to very low compliance. *Source- Business Line*

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 589 Sasken Technologies Ltd. V. Joint Commissioner of Income Tax, SPL Range-6, Bengaluru W.P. NO. 31127 OF 2019 (T-IT) NOVEMBER 12, 2019	High Court of Karnataka	Where assessee's appeal challenging penalty imposed under section 271(1)(c) was pending for disposal before Tribunal, and meanwhile application for stay of demand of penalty was filed by assessee, it was obligatory on part of Assessing Officer to consider said application subject to decision of Tribunal

Updates related to Announcement by ICAI

- **ICAI-CDS: Online sale of ICAI Members Publications**
  Open this link

Corporate Laws by MCA

- **MCA issues NIDHI (Second Amendment) Rules, 2020.**
  Download notification here

- **MCA issues guidelines for filing of forms In the Registry (MCA-21) by the Insolvency Professional (Interim Resolution Professional (IRP| or Resolution Professional (RP) or Liquidator appointed under Insolvency Bankruptcy Code, 2016 (IBC, 2016).**
  MCA General Circular No. O4/2O2O dated 17.02.2020

The Insolvency and Bankruptcy Law.

- **Legal updates- NCLAT | Court**

Sr.No.	Key to find the document	NCLAT/Court	Summary
1	[2020] 113 taxmann.com 468 State Bank of India v. Silverton Spinners Ltd. CP (IB) NO. 522/KB/2018 NOVEMBER 8, 2019	National Company Law Tribunal, Kolkata Bench	CIRP application filed by financial creditor in 2018 was not time-barred when corporate debtor acknowledged debt by offering restructuring proposal in 2016 Consent of all members of consortium of lenders is not mandatory for filing petition under section 7

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

❖ **Resolutions via IBC see a big fall in third quarter**

Data from the Insolvency and Bankruptcy Board of India (IBBI) showed that financial creditors realised just 12% of their claims in the quarter-ended December, down from 34% in the quarter-ended September. Bankers said falling recoveries from the IBC and delays in resolution have pushed them to seek solutions out of the courts.

[ET Report]

Updates related to Latest developments in Economy & Finance world

- **Flurry of tax notices puts private companies' directors in a spot of bother**
  Directors of private limited companies are being slapped with tax notices, holding them liable for dues/disputes pending at the company's end. The number of such notices has risen exponentially over the past few weeks, said four people familiar with the matter. This is on the back of mounting pressure on tax officers, with the end of the financial year approaching. The amount being demanded typically ranges from Rs 5 crore to Rs 20 crore. In many instances, the directors are being asked to pay up in 10-15 days. The flurry of notices may compel directors to quit and prompt a rethink among those seeking directorship positions.
  Business Standard Report

- **Tax cut widens gap between high fliers and laggards in corporate earnings**
  There has been a widening gap between high-fliers and laggards on the bourses and in corporate performance during the last few years. This gap has now reached a new high after a cut in corporate income tax in September 2019, according to the quarterly results of listed companies. The 10 most profitable companies accounted for 46.1 per cent of all net profits of listed companies during the quarter ended December 31, 2019. This is up from 42.1 per cent a year ago and the three-year average of around 41 per cent.
  Business Standard Report

- **Bhushan Power takeover: NCLAT gives JSW Steel immunity from criminal probes**
  The National Company Law Appellate Tribunal (NCLAT) on Monday gave JSW Steel Ltd immunity from all criminal investigations after its takeover of Bhushan Power & Steel Ltd, whose assets were sought to be attached by the Enforcement Directorate (ED) over alleged bungling by former management. A two-member NCLAT bench headed by Justice S J Mukhopadhaya also declared attachment of assets of insolvent Bhushan Power & Steel Ltd (BPSL) by the ED as "illegal and without jurisdiction".
  Business Standard Report

Knowledge shared= Knowledge²

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About Scribbler

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