

THE DAILY LIFELINE

Official Newsletter of Diucon



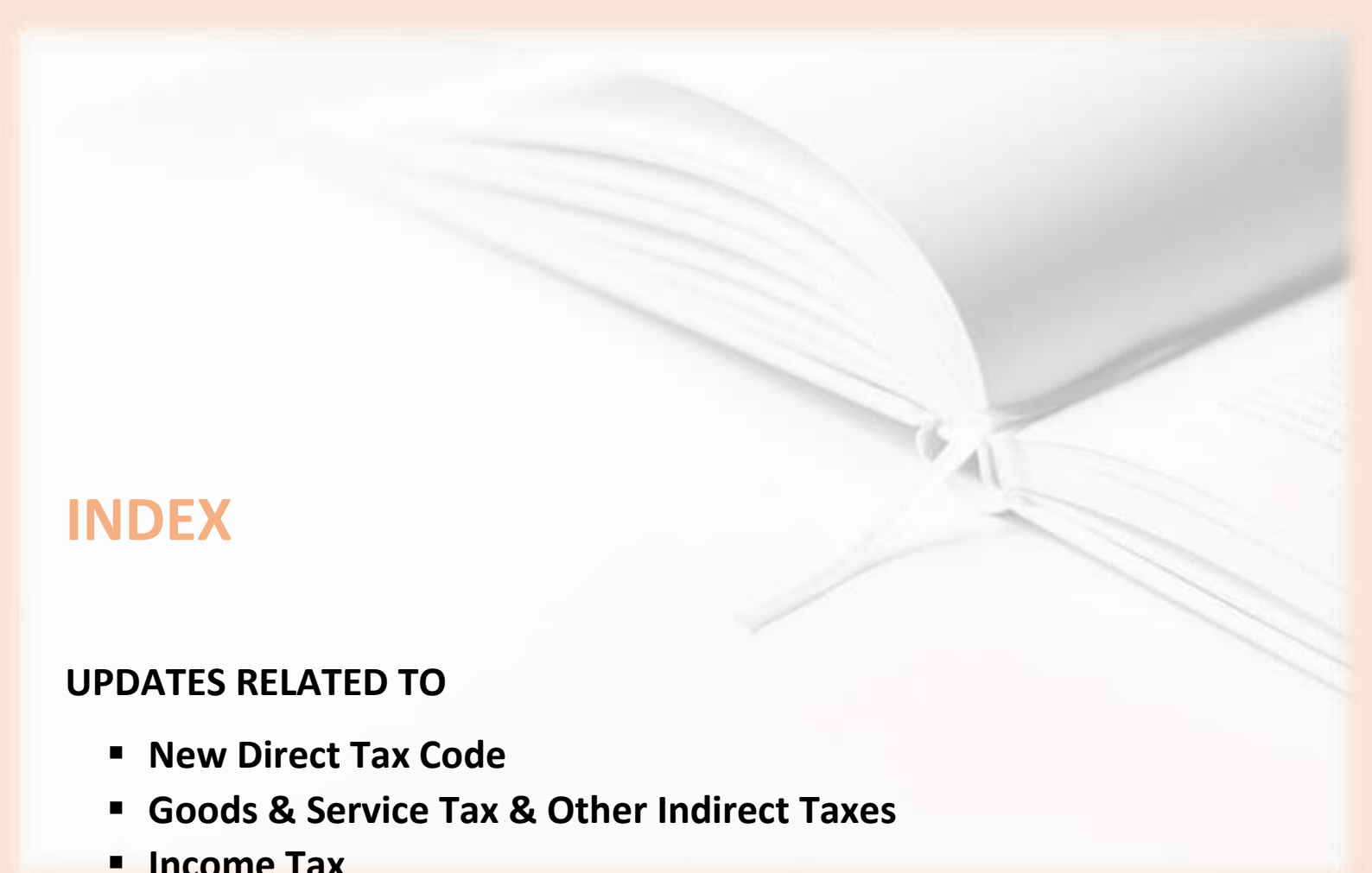
WHAT'S NEW IN PROFESSIONAL/ BUSINESS WORLD TODAY:

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**
- **Goods & Service Tax & Other Indirect Taxes**
- **Income Tax**
- **Announcements by ICAI**
- **Announcements by ICSI**
- **Corporate Laws**
- **The Insolvency and Bankruptcy Law**
- **Security and Exchange Board of India (SEBI)**
- **Director General of Foreign Trade (DGFT)**
- **Start-ups**
- **Micro, Small & Medium Enterprises**
- **Reserve Bank of India**
- **New acts notified/Bills introduced in parliament or Executive orders by President**
- **Economy & Finance.**

[From Monday to Friday 5 days a week as Saturdays and Sundays being holiday and closure of all government departments hence no updates]



Goods & Service Tax & other Indirect taxes

- **Notifications/Circulars/Press releases/FAQs/Portal Updates/Write-ups by CBIC/Government.**

❖ If you have any query on GST Return Filing, don't miss this golden opportunity to watch live telecast organised by DGTS, jointly with DG Systems and DG NACIN. Shri S.K. Rahman, Joint Secretary GST Council & Shri Sarthak Saxena, DC GSTN will clear your doubts regarding the problems faced in "GST return filing" through this webcast.

Date: 21st February, 2020

Time: 11:00AM to 02:00PM

Link to join: [Click here](#) | [Can watch here too](#)

- **Legal updates- Advance Ruling Authorities/Tribunals/High Courts/Supreme Court**

Sr.No.	Key to find the document	Authority who passed the order	Details of decision	
			Provisions discussed	Decision
1	2020] 114 taxmann.com 164 Bharat Raj Punj v. CGST Commissionerate MISC. BAIL APPLICATION NO. 16341 OF 2019 DECEMBER 6, 2019	Rajasthan High Court	Section 132	Where assessee for offences punishable under section 132(1)(b), (c) and (d) was in custody and serious allegation against him was that he had wrongfully availed input tax credit of Rs. 40.53 crores, application for grant of bail deserved to be dismissed

Sr.No.	Key to find the document	Authority who passed the order	Details of decision	
			Provisions discussed	Decision
2	[2020] 114 taxmann.com 447 Refex Industries Ltd. v. Sherisha Technologies (P.) Ltd. WRIT PETITION NOS. 23360 AND 23361 OF 2019 WMP NOS. 23106 AND 23108 OF 2019 JANUARY 6, 2020	Madras High Court	Section 50	In terms of section 50, levy of interest on belated payments would apply only to payments of tax by cash, belatedly, and would not stand triggered in case of available ITC, since such ITC represents credit due to an assessee by Department held as such.
3	[2020] 114 taxmann.com 160 Vision Distribution (P.) Ltd. v. Commissioner, State Goods & Services Tax W.P. (C) NO. 8317 OF 2019 DECEMBER 12, 2019	Delhi High Court	Section 54	Where assessee made exports in months of July and August, 2017, but it could not use and exploit input tax credit, which was accumulated up-to June, 2017, because same was not reflected in its input tax credit ledger as on 1-7-2017, assessee was entitled to refund of input tax credit.
4	[2020] 114 taxmann.com 161 Mahmmadbhai Pirabhai Sadhriyat v. Union of India	Gujrat High Court	Section 130	Writ dismissed by HC on grounds-adequate remedy of appeal was available against order of confiscation.

▪ News/Latest Developments/Other updates

- ❖ The Anti Evasion wing of CGST Delhi South Commissionerate has detected a case of Input Tax credit fraud through fake invoices issued by bogus firms. Investigations led to discovering the accused had also been generating bogus e-way bills to back the fake invoices. Over 35 entities are involved in the bogus transactions, involving fake invoicing to the tune of Rs. 214.74 crores and tax evasion of Rs. 38.05 crores. One person has been arrested on 19.02.2020 and remanded to judicial custody of 14 days. Further investigations in the matter are in progress.

Source- CGST Delhi twitter Account



Income Tax

▪ Legal updates- Tribunals, High Court & Supreme Court judgements

Sr.No.	Key to find the document	Authority who passed the order	Details of decision	
			Provisions discussed	Decision
1	[2020] 114 taxmann.com 98 Principal Commissioner of Income Tax-3 v. DLF Home Developers Ltd. SLP (CIVIL) DIARY NOS. 25546 OF 2019† AUGUST 26, 2019	Supreme Court	Section 37(1)	Where High Court upheld Tribunal's order holding that in case of assessee, a builder, expenses incurred on brokerage and commission on booking of properties being a finance/selling expenses, were allowable in full, SLP filed against said order was to be dismissed.



Corporate Laws

- ❖ Invitation for public comments on the Competition (Amendment) Bill, 2020.
[Read here for more](#)



The Insolvency and Bankruptcy Law

▪ Legal updates- NCLT | NCLAT | SUPREME COURT

Sr.No.	Key to find the document	Authority who passed the order	Details of decision	
			Provisions discussed	Decision
1	2020] 114 taxmann.com 153 Vinodkumar Surendralal Shah v. Shree Padmavati Sortex (P.) Ltd. IA NO. 628 OF 2019 CP(IB) NO.571/7/NCLT/AHM/2018 NOVEMBER 27, 2019	National Company Law Tribunal, Ahmedabad Bench	Section 33 of IBC	Where CoC, with 100 per cent majority of its members, resolved for liquidation of corporate debtor company, application filed by RP for liquidation of corporate debtor company was to be allowed.
2	[2020] 114 taxmann.com 143 Terra Infra Development Ltd. v. KMC Constructions Ltd. C.P. (IB) NO. 441/9/HDB/2018, DECEMBER 6, 2019	NCLT Hyderabad	Section 238A & 9	CIRP application filed under section 9 beyond three years from date of alleged claim would be barred by limitation

▪ News/Latest Developments/Other updates

❖ After resolution of big steel cases, banks expect low recoveries from IBC

A senior banker with a public sector bank said, not more than 30% recovery was expected from the RBI's second list.

[Business Standard Report](#)



Economy & Finance

❖ **GST profiteering: Delhi HC comes to the rescue of Nestle, grants stay.**

Coming to the rescue of fast-moving consumer goods giant Nestlé, the Delhi High Court has again stayed National Anti-Profiteering Authority's (NAA's) order to recover Rs 73 crore by March for not passing the benefits of the goods and services tax (GST) rate cut to consumers. The stay, granted through an order issued on February 10, was given on grounds that Nestlé had already paid Rs 16.58 crore of the total demand of Rs 89.73 crore.

[Business Standard Report](#)

❖ **Every penny counts as GST officers send demand notices to companies.**

Rs 5.9858630140000004! This is not a figure from an S Ramanujan-G H Hardy conversation but a demand notice given by tax officials to a company on paying interest because the goods and services tax (GST) return had overshoot the deadline. After directions from the Central Board of Indirect Taxes and Customs (CBIC) to recover goods and services tax interest, totalling Rs 46,000 crore, field officials are busy sending notices for recoveries, which sometimes are in single digits. One such client in equity information services has been asked to deposit Rs 5.

[Business Standard Report](#)

❖ **Centre releases Rs 19,950 crore as GST compensation to states and UTs**

The Centre has released Rs 19,950 crore as goods and services tax (GST) compensation to states and Union Territories for October. Generally, the Union government releases compensation for two months and this is the first time it has given compensation for only one month. Compensation was given on February 17, almost a month ahead of the GST Council meeting, slated for March 14.

[Business Standard Report](#)

Knowledge shared= Knowledge²

About Scribbler

PRADEEP GOYAL

- ❖ **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.



Connect



pradeep@pgaa.in



+91-9811777103



<http://www.pgaa.in>



Profile



Page



[Double click on icons to open]