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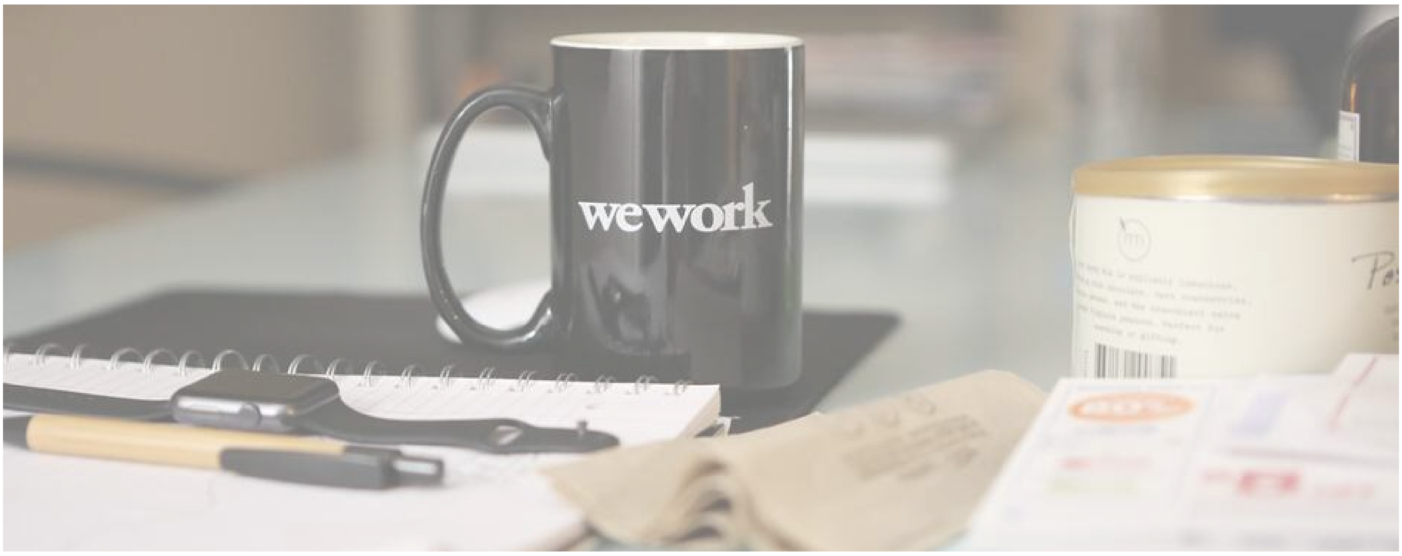
THE DAILY LIFELINE

Official Newsletter of Diucon



WHAT'S NEW IN PROFESSIONAL/ BUSINESS WORLD TODAY:

- Goods & Service Tax
- Direct Tax Code
- Income Tax
- Economy | Finance
- Insolvency Laws
- Corporate Laws

BIGGEST CHALLENGE- HOW TO KEEP UPDATED ON DAILY BASIS

By Pradeep Goyal, FCA | CFA | CPA, Australia | Registered Valuer | Insolvency Professional | ID-IICA | ICAI Certified GST Expert

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

[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**

  - **Executive summary of GST Acts amendments in Finance Bill, 2020.**
    - **Introduction**

      Overall Finance Bill, 2020 is containing 149 clauses and five schedules. Finance Bill is divided into "VI chapters". Chapter IV is covering the amendments relating to the "Indirect Taxes" and includes amendments relating to Customs, Central Goods and Services Tax (CGST), Integrated Goods and Services Tax (IGST), Union Territory Goods & Services Tax (UTGST) and Goods and Service Tax (Compensation to States). The amendments relating to CGST are provided under clause 116 to 131. The provisions relating to IGST are covered under clauses 132 and 133. Clauses 134 to 137 deal with UTGST and clause 138 provides for the compensation to the States. Therefore, amendments to GST provisions are covered under clauses 116 to 138 of the financial bill, 2020.

      Sections amended-

      - Section 2 (114) - Definition of "union territory"
      - Section 16 (4) - ITC availment is linked with the date of debit note
      - Section 29(1) - Cancellation or suspension of registration
      - Section 30(1) - Revocation of cancellation of registration
      - Section 31(2) - Tax invoice
      - Section 122 - Penalty for certain offences
      - Section 132 - Punishment for certain offences
      - Section 172 - Removal of difficulties
      - Section 140 - Transitional arrangements for input tax credit.
      - Schedule II - Activities [or transactions] to be treated as supply of goods or supply of services - Paragraph 4

    - **Effective date of amendments**

      The effective date for the amendments to Finance Bill, 2020 are provided under clause 1(2)(b) of the Finance Bill, 2020. The provision relating to GST amendments will come into effect from the date to be notified by issuance of notification after receipt of presidential assent except retrospective amendments, which will come into effect from the date when finance bill gets the assent of the president.

      Source/Credit- Taxmann.com

- **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 467 Jindal Pipes Ltd. v. State of U.P. WRIT TAX NO. 1366 OF 2019 JANUARY 20, 2020	High Court of Allahabad	Section 129, read with section 107	Where Competent Authority had detained goods of assessee under transport and passed order imposing tax and penalty and served same on driver of vehicle, service of impugned order on driver was no service at all.
2	[2020] 114 taxmann.com 477 Dadhichi Iron and Steel (P.) Ltd. v. Chhattisgarh GST Through Commissioner* WRIT PETITION (T) NO. 130 OF 2019 OCTOBER 22, 2019	High Court of Chhattisgarh	Section 16	Where Competent Authority had blocked credit account of assessee for availing input tax credit on ground that it had been doing business with a non-existing entity, assessee was to be directed to file representation before Competent Authority in this regard, who would decide same.

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

❖ **Government can't slap GST on license fee: Companies drag taxman to court.**
ET Report

- **Notifications/Circulars/Instructions/Press releases/FAQs by Board/Government**

  - **CBDT issues FAQs on Direct Tax Vivad se Vishwas Scheme, 2020.**
    The Central Board of Direct Taxes (CBDT) has released frequently asked questions (FAQs) to clarify queries related to the 'Direct Tax Vivad se Vishwas Bill, 2020.
    CBDT Circular No. 07/2020- download here

  - **The Direct Tax Vivad Se Vishwas Bill, 2020 (Bill No. 29-C of 2020) as passed in lok sabha**
    Download here

- **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 550 Anoop Jain v. Assistant Commissioner of Income-tax, Central Circle-53(1), New Delhi IT APPEAL NO. 6703 (DELHI) OF 2019 [ASSESSMENT YEAR 2015-16] JANUARY 10, 2020	ITAT Delhi	Section 68	Where Assessing Officer made addition under section 68 treating long term capital gain on sale of shares as not genuine, said addition was to be deleted in view of fact that Assessing Officer failed to produce any material/evidence to dislodge or controvert genuineness of conclusive documentary evidences produced by assessee in support of his claim that he was a genuine investor from past many years.

- **Notification/Circular/Press release/ Write-ups/Newsletters by IBBI/Government**

  - **Parliament's Standing committee on finance (2019-2020) presented its 6th report on the insolvency and bankruptcy (second amendment) bill, 2019. to Lok Sabha on 4 March, 2020 and Laid in Rajya Sabha also on 4 March 2020.**

    The Insolvency and Bankruptcy (Second Amendment) Bill, 2019, introduced in Lok Sabha on 12 December, 2019 was referred to the Committee on 23 December, 2019 for examination and report thereon, by the Speaker, Lok Sabha under Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha. 3. The Committee took evidence of the representatives of Ministry of Corporate Affairs and Insolvency and Bankruptcy Board of India (IBBI) at their Sittings held on 15 January, 2020 and 24 February, 2020.

    Here is copy of report

- **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 410 Axis Bank Ltd. v. Ind-Barath Powergencom Ltd. CP (IB) NO. 187/7/HDB/2019 NOVEMBER 13, 2019	NCLT Hyderabad	Section 5(8), read with section 7	It is for financial creditor or lenders to accept or reject any one-time settlement (OTS) proposal and mere filling of OTS proposal with lenders is not by itself a ground to reject CIRP application filed under section 7, which is otherwise in order.

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

- Finance Minister will move The Insolvency and Bankruptcy Code (Second Amendment) Bill, 2019 further to amend the Insolvency and Bankruptcy Code, 2016, be taken into consideration by parliament.
  Source- Parliament's List of business to be transacted on 06/03/2020

Security and Exchange Board of India (SEBI)

- **SEBI launches mobile application for lodging investor grievances.**
  In its efforts to improve the ease of doing business, SEBI today launched a Mobile Application for the convenience of investors to lodge their grievances in SEBI Complaints Redress System (SCORES).
  The Mobile App "SEBI SCORES "is available on both iOS and Android platforms.
  Press Release here

- **SEBI issues Consultative paper on e-voting facility provided by listed entities.**
  In order of making e-voting secure, convenient and simple to use for the shareholders and optimum utilization, SEBI proposed to review the e-voting mechanism as provided by various ESPs and seek public comments in this regard.
  Download the document here

Reserve Bank of India

- **Supersession of the Board of Directors - Appointment of Administrator - Yes Bank Ltd.**
  In exercise of the powers conferred under 36ACA of the Banking Regulation Act 1949, the Reserve Bank has, in consultation with Central Government, superseded the Board of Directors of Yes Bank Ltd. for a period of 30 days owing to serious deterioration in the financial position of the Bank. This has been done to quickly restore depositors' confidence in the bank, including by putting in place a scheme for reconstruction or amalgamation. Shri Prashant Kumar, ex-DMD and CFO of State Bank of India has been appointed as the administrator under Section 36ACA (2) of the Act.
  RBI Release here

- **Yes Bank Ltd. placed under Moratorium by RBI and RBI's Directive under Section 35A of the Banking Regulation Act, 1949.**
  RBI announcement here | Directive under Section 35A of the Banking Regulation Act, 1949 here | Gazetted notification here

Economy & Finance

- **Companies in the red can pay their independent directors well**
  Reporting losses or inadequate profits will not be a hindrance to companies to pay their non-executive and independent directors handsomely. The Centre proposes to do away with an existing norm that prevented companies with net losses from handing out good pay packages, the Hindu Busines Line reported.

- **Private lenders faced tough times due to poor corporate governance, NPAs.**
  It has not been a very smooth ride for private sector lenders in the banking history of India with the latest case of YES Bank falling into the RBI's interim management before a bigger sovereign structure is worked under the central bank's supervision. Poor corporate governance and NPAs have been their Achilles' heel. Way back in 2004, the crisis-ridden Global Trust Bank was merged with the Oriental Bank of Commerce by the Reserve Bank of India. since 2001, the GTB's name was associated with scams and controversies, thereby casting shadows over the credibility of the bank and its management.
  Business Standard Report

- **Can't cherry-pick issues under 'Vivad se Vishwas', clarifies govt**
  Picking and choosing issues under one order will not be allowed and the tax dispute will be settled under the direct tax dispute resolution scheme, which is yet to be notified. Disputes relating to wealth, securities transactions, commodities transaction tax, and the equalisation levy will not be covered under the Vivad se Vishwas amnesty scheme.
  Business Standard Report

Knowledge shared= Knowledge²

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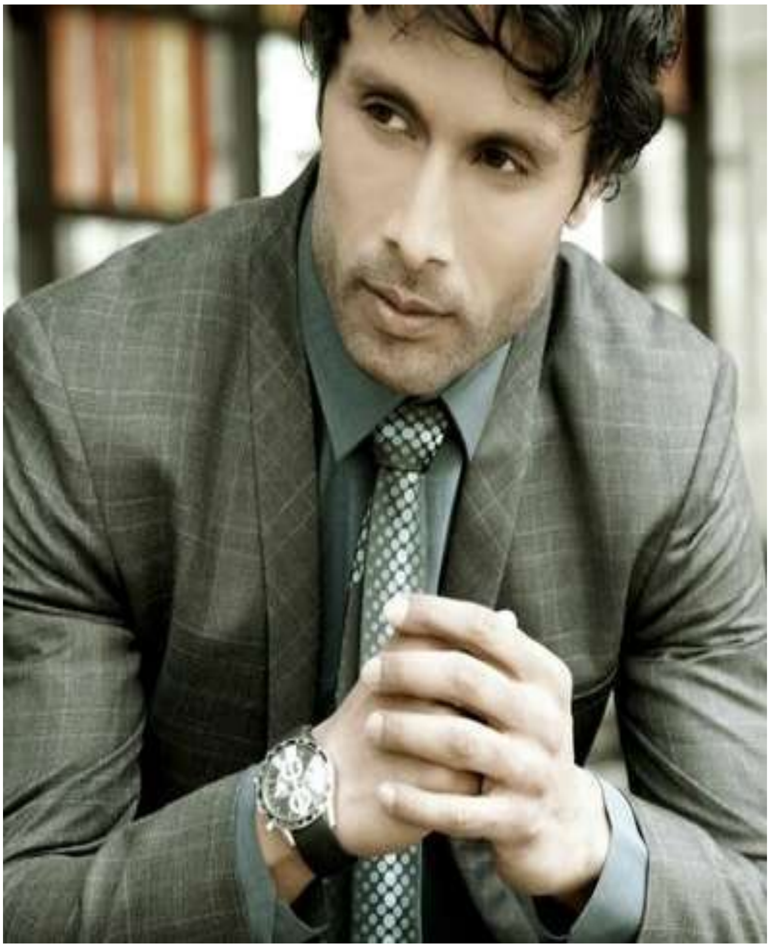
About Scribbler

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.



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Connect

pradeep@pgaa.in

+91-9811777103

http://www.pgaa.in

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