

THE DAILY LIFELINE

Official Newsletter of Diucon



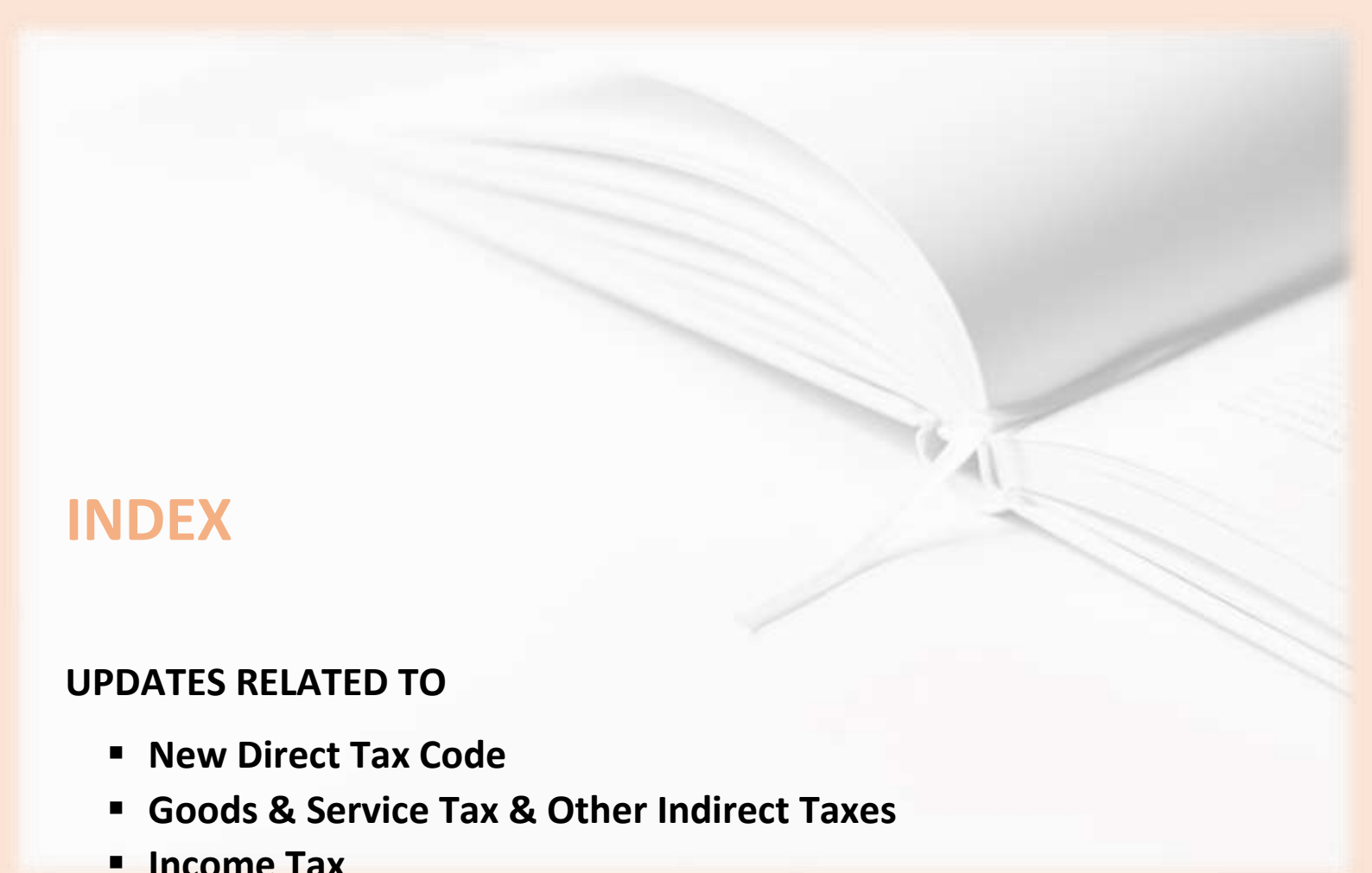
WHAT'S NEW IN PROFESSIONAL/ BUSINESS WORLD TODAY

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

BIGGEST CHALLENGE- HOW TO KEEP UPDATED ON DAILY BASIS

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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

- 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] 115 taxmann.com 147 Unity Traders, In re CASE NO. 26/2019 AND ORDER NO. 06/2020 FEBRUARY 10, 2020	Authority for Advance Rulings, Madhya Pradesh	Section 17(5)(d)	ITC is not admissible on goods purchased for purpose of construction and maintenance of warehouse used for letting out on rent, such as vitrified tiles, marble, granite, ACP sheet, steel plates, TNT Tor(saria), bricks, cement, paint and other construction material under section 17(5) ITC is also not admissible on GST paid on works contract service received from registered and unregistered contractor for construction and maintenance contract of building under section 17(5) and GST paid on goods purchased and works contract service received during financial year 2017-18 for purpose of construction and maintenance of warehouse under section 17(5).

Sr.No.	Key to find the document	Authority who passed the order	Details of decision	
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2	[2020] 115 taxmann.com 150 Kamal Kishor Agrawal, In re NO. STC/AAR/11/2018 MARCH 2, 2019	Authority for Advance Rulings, Chhattisgarh	Notification No. 12/2017	Where the applicant is engaged in the activity of providing accommodation services in their hostel for which the applicant is collecting an amount below the threshold limit of Rs. 1000 per day and no other charges are being collected for providing other allied facilities/ services therein, viz., canteen food, parking space for vehicles, coaching, library, entertainment etc., said service merits exemption as stipulated under Notification No. 12/2017- State Tax (Rate) No. F-10-43/2017/CT/V (80), Naya Raipur, Dated 28-6-2017 under Serial No. 14, Chapter 9963. This amount received for such supply by the applicant falling under tariff heading 9963 qualifies for being treated as nil rate tax exempted supply.

Sr.No.	Key to find the document	Authority who passed the order	Details of decision	
			Provisions discussed	Decision
3	[2020] 114 taxmann.com 566 Gehna Trading LLP v. Union of India WRIT PETITION NO. 167 OF 2020 JANUARY 30, 2020	Bombay High Court	Section 83	Where Competent Authority vide order dated 6-12-2019 directed Bank Manager of assessee not to allow any debt, since there were no proceedings under sections 62, 63, 64, 67, 73 and 74 against assessee, impugned order attaching bank account of assessee deserved to be set aside.
4	[2020] 115 taxmann.com 134 Dolphin Techno Waste Management (P.) Ltd., In re CASE NO. 49 OF 2019 AND ORDER NO. 43/WBAAR/2019-20 MARCH 6, 2020	Authority for Advance Rulings, West Bengal	Notification 12/2017	Where assessee was providing solid waste management service to conservancy department of Municipal Corporation and sewer cleansing service to the sewerage and drainage department of Municipal Corporation, assessee's supply to Municipal Corporation was exempt from payment of GST under Sl. No. 3 of Notification No. 12/2017-Central Tax (Rate), dated 28-6-2017 (corresponding State Notification No. 1136-FT, dated 28-6-2017), as amended from time-to-time.

▪ News/Latest Developments/Other updates

❖ Vendors on e-commerce platforms get notices.

Hundreds of online vendors selling goods on e-commerce platforms like Amazon and Flipkart have received notices from the GST authorities to explain the differences in sales numbers reported by the e-commerce operators when they collected tax at source (TCS) and the sales reported by the sellers in their monthly return GST-3B. Large-scale evasion is suspected as taxpayers seem to have under-reported sales and paid lower taxes in self-declared returns. The notices pertain to the October 2018 to September 2019 period. Taxpayers have asked to explain the mismatch within three days of receipt of notices. As FE had reported in December, the taxman had stumbled upon instances of huge discrepancies in taxable value brought out by two different modes of reporting.

[Financial Express Report](#)

❖ GST Council meet today, tax anomalies be fixed.

Federal indirect tax body, the GST Council, will not increase GST cess on items like automobiles but will instead consider fixing anomalies in the tax structure which may see tax rate changes on items like mobile phones, footwear and textiles, said a person aware of discussions between union and state governments. GST cess levied on items like cars, tobacco and aerated drinks is used for making up for state governments' GST revenue losses and the union government was open to raising it if states supported the move. This, however, has not cut ice with the states. "There is limited scope for increasing the cess. There is an economic slowdown. Whatever revenue is coming now, will stop coming (if cess is raised). Nor do we find any cause for increasing tax rate on items covered under the cess," said the source.

[Mint Report](#)



Announcement by ICAI

❖ Research Committee of ICAI Invites Research Papers from Members.

The primary objective of Research Committee is to undertake research in the field of accounting and other affiliated areas with a view to enhance the value of services rendered by the profession.

[Read this announcement](#)

❖ Postponement of Advanced ICITSS- Information Technology Test scheduled to be held on 15th March, 2020 to prevent any spread of COVID-19

Fresh dates will be announced shortly.

[Read this announcement](#)



Announcement by ICSI

- ❖ **ICSI announce Certificate Course for Women Directors – Registration starts from 1st April,2020.**

[Read here for more details](#)

- ❖ **ICSI announcement for relaxation in guidelines for compulsory attendance of professional development programmes for the current block 2017-20.**

[Know more here](#)



Corporate Laws

- ❖ **MCA notifies Companies (Registration Offices and Fees) Second Amendment Rules 2020 vide notification dated 12th March, 2020.**

- ✓ Form GNL-2 been amended by incorporating new column "Filing under Insolvency and Bankruptcy Code, 2016" to enable resolution professionals to file various forms under Companies Act in respect to companies going under CIRP.
- ✓ New column added in form GNL-2 to enable facility for signing for resolution professional as CEO of corporate debtor.

[Download notification here](#)

- ❖ **MCA notifies the Companies (incorporation) second Amendment Rules, 2020 vide notification dated 12th March, 2020.**

Form INC-28 "Notice of Order of the Court or Tribunal or any other competent authority" amended by incorporating new column "Section of Insolvency and Bankruptcy Code, 2016 under which order passed". This is to enable Resolution Professional to upload NCLT's petition admission order for under section 7, 9 & 10 of IBC, 2016.

[Download notification here](#)

- ❖ **Public comments on draft Companies (Corporate Social Responsibility Policy) Amendment Rules,2020. Last date for Comments is 28.03.2020.**

[Click here to know more](#)



The Insolvency and Bankruptcy Law

- **Notification/Circular/Press release/ Write-ups/Newsletters by IBBI/Government**
 - ❖ **MCA amended form GNL-2 and INC-28 to enable facility for Resolution Professional to upload NCLT's petition admission order and also to file various forms under Companies Act, 2013. For details, check updates related to Corporate laws above.**
 - ❖ **IBBI Disciplinary Committee's Order in the matter of Mr. Arun Kumar Gupta, Insolvency Professional (IP).**

The present case concerning the CIRP of CD, the RP was warned to be extremely careful and diligent while performing his duties under the Code. Further, he was ordered to act strictly in accordance with the provisions of law and similar contraventions shall not be repeated.

[Order copy here](#)
 - ❖ **Government notifies the Insolvency and Bankruptcy Code (Amendment) Act, 2020 (No. 1 OF 2020)**

Parliament received the assent of the President on 13th March, 2020 and all provisions came in force on 28th day of December, 2019.

 - Section 5,7, 11, 14, 16,21,23, 29A, 227, 239 and 240 amended
 - New section 32A "Liability for prior offences, etc." inserted
 - IBC (Amendment) Ordinance, 2019 repealed

[Download notified copy here](#)

▪ **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] 115 taxmann.com 163 Ritesh Prakash v. DCST Surat IA NO. 690 OF 2019 CP (I.B.) NO. 188 OF 2018	NCLT Ahmedabad	Section 238 and 14	Provisions of section 238 overrides Gujarat State Act, 2017 and Central GST Act, 2017.

Sr.No.	Key to find the document	Authority who passed the order	Details of decision	
			Provisions discussed	Decision
2	[2020] 114 taxmann.com 518 Sunil S. Kakkad v. Parag Sheth. OMPANY APPEAL (AT) (INSOLVENCY) NOS. 1260-1261 & 1283-1284 OF 2019 NOVEMBER 19, 2019	NCL-AT Delhi	Section 33 of IBC and 230 of Companies Act, 2013	Liquidator before passing liquidation order will consider application for Arrangement and Scheme' if moved by resolution applicants and will proceed by following process under IBC.
3	[2020] 114 taxmann.com 525 Rangarao Baburao Gaikwad v. Ind-Barath Energies (Maharashtra) Ltd. CP NO. IB/29/7/HDB/2019 NOVEMBER 19, 2019	NCLT Hyderabad	Section 5(7), read with section 7	Where as per MoU entered into between LLP and holding company of corporate debtor, money was given by LLP to corporate debtor without any stipulation with regard to return of amount and petitioner being one of partner in said LLP had no privity of contract with respect to corporate debtor in terms of MOU, requirements of sections 5(7) and 5(8) were not satisfied and accordingly, CIRP application filed by petitioner was dismissed

▪ News/Latest Developments/Other updates

❖ Jet Airways lenders seek two more months for insolvency resolution.

With investors not showing up amid global coronavirus outbreak, lenders to Jet Airways will seek another extension of around two months for the insolvency resolution process that was set to end on Sunday. The decision was in-principle agreed upon at a meeting on Thursday. The matter is up for hearing on Friday at the Mumbai bench of the National Company Law Tribunal (NCLT), a person aware of the development told VCCircle.

[VCCircle Report](#)



Security and Exchange Board of India (SEBI)

❖ SEBI amended guidelines for rights issue, preferential issue and institutional placement of units by a listed REIT.

[Circular No.: SEBI/HO/DDHS/DDHS/CIR/P/2020/35 dated 13.03.2020](#)

❖ SEBI amended guidelines for rights issue, preferential issue and institutional placement of units by a listed InvIT.

[Circular No.: SEBI/HO/DDHS/DDHS/CIR/P/2020/36 dated 13.03.2020](#)

❖ SEBI statement on stock market movement

Over the last few days the Indian Stock Market has been moving in tandem with other global markets owing to concerns relating to COVID-19 pandemic, resultant fear of economic slowdown, recent fall in global crude prices, etc. [Read this comparative market movement of global indices](#) which indicates that the fall in the Indian indices has been significantly lower than the stock market in other countries.



Reserve Bank of India

❖ Government notifies the Yes Bank Limited Reconstruction Scheme, 2020.

It shall come into force on the 13th day of March, 2020.

[Gazetted notification here](#)

Knowledge shared= Knowledge²

About Scribbler

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- ❖ **Fellow Member** of the Institute of Chartered Accountants of India.
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