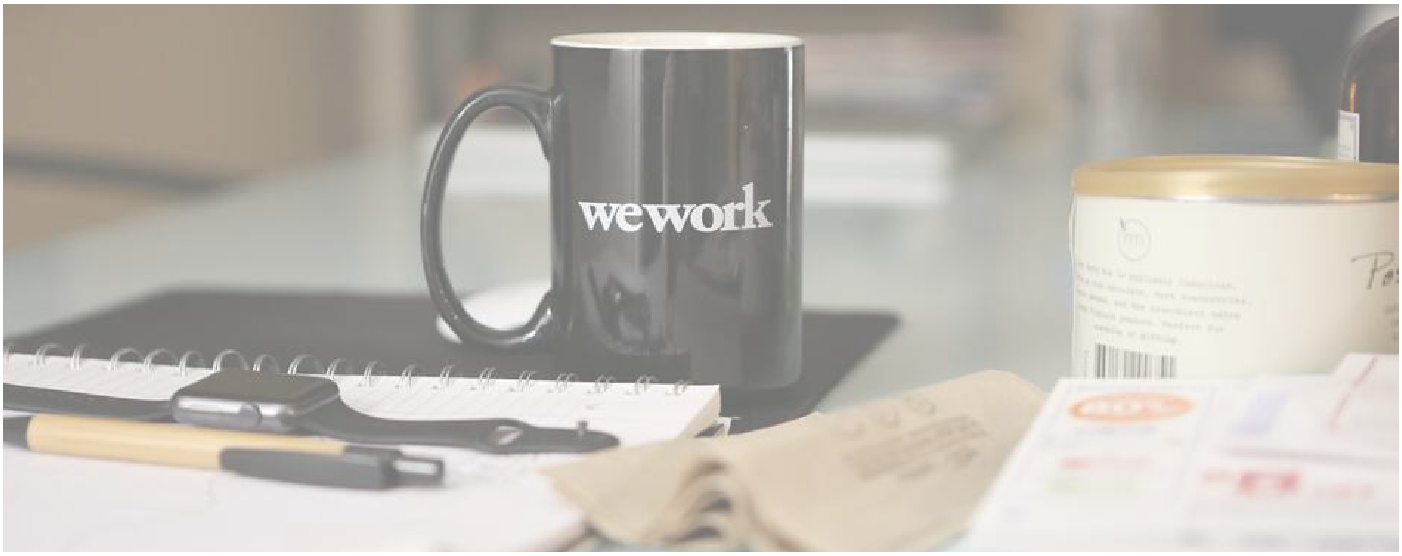
MARCH 23, 2020 | MONDAY ISSUE 193

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

- **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**

❖ **Government issued below notifications-**

Serial No	Notification Detail			Summary
	No.	Date	Powers used under section	
1	10/2020– Central Tax	21 March	Section 148	Special procedure to be followed by persons whose principal place of business or place of business was in the erstwhile Union territory of Daman and Diu or in the erstwhile Union territory of Dadra and Nagar Haveli till the 26th day of January, 2020; and is in the merged Union territory of Daman and Diu and Dadra and Nagar Haveli from the 27th day of January, 2020 onwards, till the 31st day of May, 2020
2	11/2020– Central Tax	21 March	Section 148	Special procedure to be followed by corporate debtors under IBC, 2016, undergoing CIRP. ***[See note-1]***
3	12/2020– Central Tax	21 March	Section 148	Special procedure to be followed by registered persons paying tax under the provisions of section 10 of the said Act or by availing the benefit of notification No. 02/2019– Central Tax (Rate), dated 7th March, 2019
4	13/2020– Central Tax	21 March	Rule 48(4)	Notify registered person, *[other than an insurer or a banking company or a financial institution, including a NBFC, goods transport agency, in passenger transportation service, supplying services by way of admission to exhibition of cinematograph films in multiplex screens]*, whose aggregate turnover in a financial year exceeds 100 crore rupees, as a class of registered person who shall prepare invoice and other prescribed documents, in terms of sub-rule (4) of rule 48 of the said rules i.e. E-invoice in respect of supply of goods or services or both to a registered person, effective from 1st October, 2020.

Serial No	Notification Detail			Summary
	No.	Date	Powers used under section	
5	14/2020–Central Tax	21 March	Sixth proviso to rule 46	Notifies that an invoice issued by a registered person, whose aggregate turnover in a financial year exceeds 500 crore rupees, [*other than an insurer or a banking company or a financial institution, including a NBFC, goods transport agency, in passenger transportation service, supplying services by way of admission to exhibition of cinematograph films in multiplex screens*], and registered persons being supplier of online information and database access or retrieval services., to an unregistered person (hereinafter referred to as B2C invoice), shall have Dynamic Quick Response (QR) code, effective from the 1st day of October, 2020.
DOWNLOAD ALL NOTIFICATION BY CLICKING HERE				

NOTE-1

Special procedure to be followed by IRP/RP on behalf of corporate debtors under IBC, 2016, undergoing CIRP. from the date of the appointment of the IRP/RP till the period they undergo the corporate insolvency resolution process.

Registration	With effect from the date of appointment of IRP /RP, CD will be treated as a distinct person of CD under CIRP, and shall be liable to take a new registration in each of the States or Union territories where the corporate debtor was registered earlier, within 30 days of the appointment of the IRP/RP. In cases where the IRP/RP has been appointed prior to 21st March, 2020, he shall take registration within 30 days from 21st March, and effective date of registration would be date of his appointment as IRP/RP.
Return	After obtaining registration file the first return under section 40 of CGST Act, from the date on which he becomes liable to registration till the date on which registration has been granted.

Input Tax Credit	In his first return, be eligible to avail ITC on invoices covering the supplies of goods or services or both, received since his appointment as IRP/RP but bearing the GSTIN of the erstwhile registered person subject to GST provisions. Registered persons who are receiving supplies from the said class of persons shall, for the period from the date of appointment of IRP / RP till the date of registration as required in this notification or thirty days from the date of this notification, whichever is earlier, be eligible to avail input tax credit on invoices issued using the GSTIN of the erstwhile registered person
Refund	Any amount deposited in the cash ledger by the IRP/RP, in the existing registration, from the date of appointment of IRP/RP to the date of registration in terms of this notification shall be available for refund to the erstwhile registration.

- **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 389 OM Dutt v. ACSTE-Cum-Proper Officer 012/2019 ENDST. NO. EXN-005/2019-AA/GST FEBRUARY 14, 2020	Appellate Authority - GST, Himachal Pradesh	129	Where in course of transportation, due to break down of goods carrying vehicle, goods transshipped to another vehicle, however, E-way bill of consignment which was produced before proper officer at time of checking pertained to previous vehicle and, therefore, an order was passed under section 129(3) levying penalty equal to 100% of tax payable on goods, in view of fact that assessee had subsequently updated E-way bill and number of second vehicle was updated in part-B of E-way bill, moreover, there was no evidence on record to prove that assessee changed vehicle to evade tax, impugned order was to be set aside and, assessee was to be directed to pay a penalty of Rs. Ten Thousand only for procedure lapse committed by it.

Sr.No.	Key to find the document	Authority who passed the order	Details of decision	
			Provisions discussed	Decision
2	[2020] 114 taxmann.com 711 Halari Mahammadusman Zubaibhai @ Usmanbhai v. State of Gujarat* APPLICATION NO. 16656 OF 2019 SEPTEMBER 13, 2019	Gujrat High Court	132	Where assessee for offences punishable under section 132(1)(b) and (c) was arrested on 21-7-2019 and investigation was almost over, he was ordered to be released on bail.

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 705 Sonal Nimish Patel v. Assistant Commissioner of Income-tax Cirlce-4(1)(2) R/SPECIAL CIVIL APPLICATION NO. 3947 OF 2019 JANUARY 20, 2020	Gujrat High Court	Section 179	Without establishing fact that tax dues couldn't be recovered from Co.; recovering it from director not valid.

Announcement by ICAI

- ICAI directs All Heads of Departments/Secretaries to the Committees/Employees/Regional Heads regarding preventive measures to be taken to contain the spread of Novel Coronavirus (COVID-19**).**
  Circular here

Announcement by ICSI

- ICSI extends last date for submission of exam form for June 2020 exam session from 25th March to 15th April, 2020.
  Read this announcement here

Corporate Laws

- **Advisory by MCA on Readiness towards COVID-19 Form**
  Companies Affirmation of Readiness towards COVID-19 Form is a simple web form with minimum fields and which can be filed from anywhere. There is no requirement of DSC and does not involve payment of any fee. Companies/LLPs are advised to use the service w.e.f 23rd March 2020 in a staggered manner to avoid the load on the system.
  Source – MCA Portal
  Download form here

The Insolvency and Bankruptcy Law

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

  - Corporate debtors CIRP and the management of whose affairs are being undertaken by interim resolution professionals (IRP) or resolution professionals (RP), to follow special procedure for GST compliances, from the date of the appointment of the IRP/RP till the period they undergo CIRP as per CBIC Notification no. 11/2020–Central Tax.
    [Discussed in details above under GST updates]

Economy & Finance

❖ **Firm busted for claiming bogus Input Tax Credit of around Rs 281 Crores**

In an investigation led by CGST Meerut team has prima facie revealed issuance of GST invoices of Rs. 1,708 crores from a chain fake firms/companies operating from Delhi, Moradabad and Meerut, involving fraudulent ITC of about Rs 281 crores. The fraud amount may exceed on further probe.

Fin Min Release

❖ **Securities transaction tax collection up 5% on higher derivatives trade**

The weak markets have not had an impact on the government's securities transaction tax (STT) kitty, which went up about 5 per cent year-on-year (YoY) in the current fiscal year to date. According to an official in the Income Tax Department, STT collection stood at Rs 11,247 crore for fiscal year 2019-20 (FY20), until March 15, against the targeted Rs 12,500 crore. The department is hoping that the target will be crossed. The reason for the higher STT is heightened volumes in the futures and options segment during April 2019 to January 2020, even as volumes fell in February. So far this fiscal year, equity derivatives turnover has gone up 43 per cent, while overall market turnover across both cash and derivatives segments was up 39 per cent.

Business Standard Report

Knowledge shared= Knowledge²

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About Scribbler

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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.
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- **CFA (Corporate Finance)**- Columbia Business School, USA | EMERITUS Institute of Management, Singapore.
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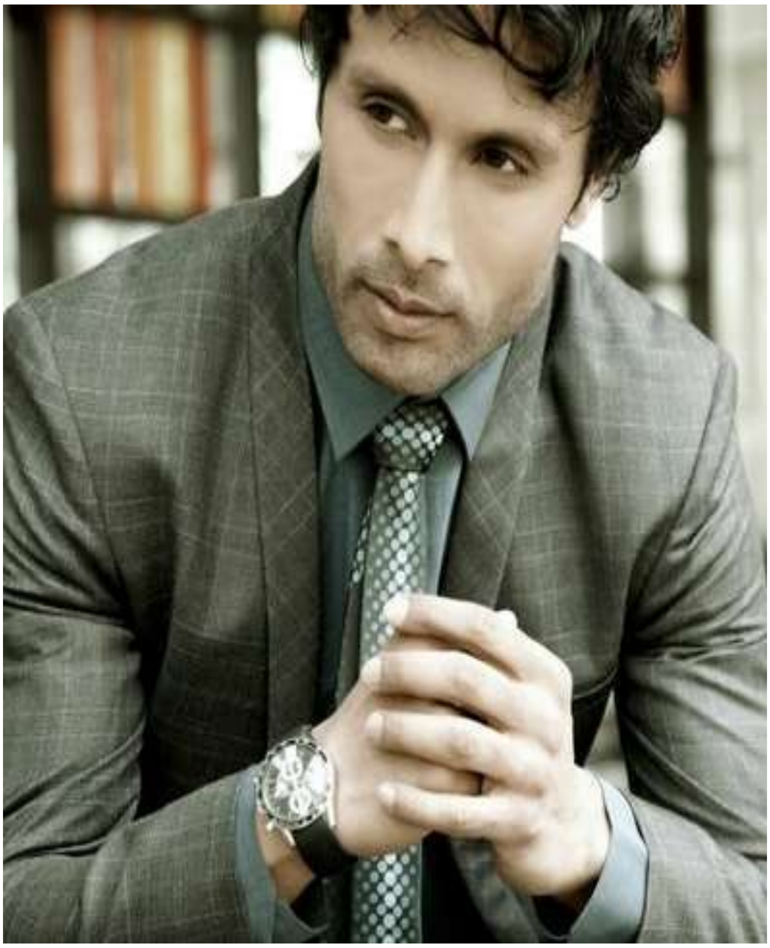

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