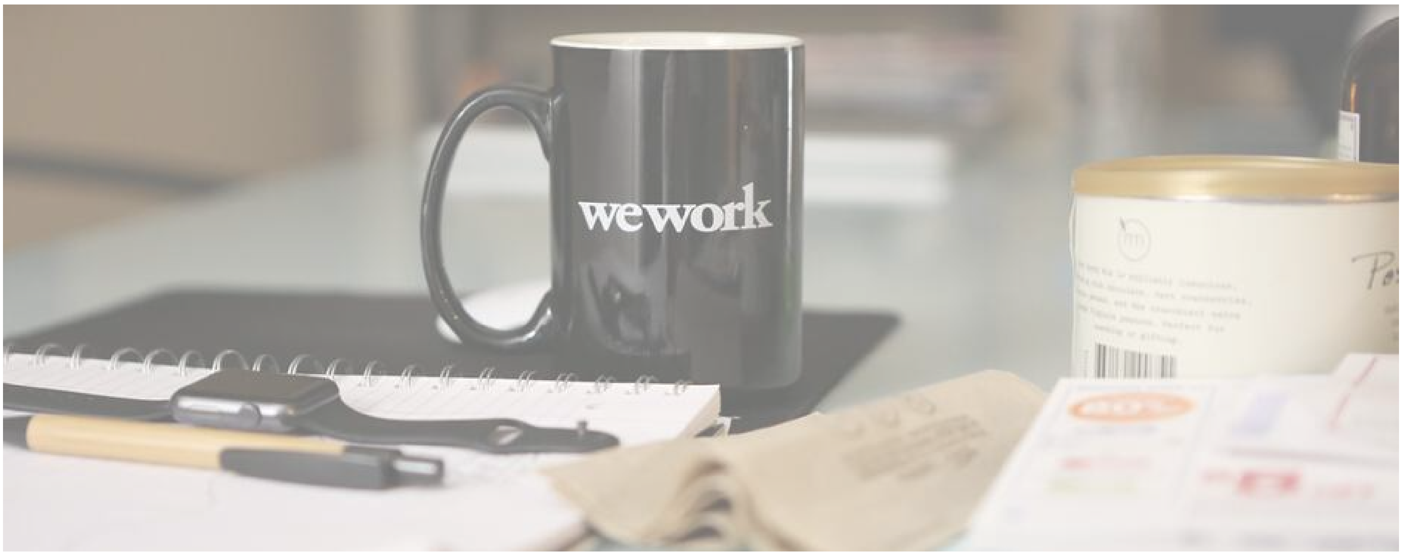
MARCH 31, 2020 | TUESDAY ISSUE 199

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.**

  - **CBIC issued it GST weekly updated dated 28th March 2020.**
    This covers the GST changes / observations/ press releases/ Tweet FAQs/ Sectoral FAQs released by CBEC since the last update on 14.03.2020. It supplements the earlier GST Updates. No Update was issued on 21.03.2020.
    Download here

- **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] 116 taxmann.com Deendayal Port Trust v. Union of India R/SPECIAL CIVIL APPLICATION NO. 6418 OF 2019 FEBRUARY 12, 2020	Gujrat High Court	Section 140 read with Rule 117	Authority to consider ITC claim in TRAN-1 Where online system of service tax department did not permit assessee to file revised return of service tax for second time and, therefore, it could not claim accrued input tax credit of Rs. 99.46 lakhs and claimed said amount in Form GST TRAN-1 and Competent Authority informed assessee that it had wrongly claimed input tax credit of Rs. 99.46 lakhs and asked to reverse or pay differential amount, Competent Authority was to be directed to consider claim of assessee for amount of ITC of Rs. 99.46 lakhs so as to enable it to revise Form GST TRAN-1

Income Tax

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

❖ **Tax Saving Tips: Best ways to save income tax for AY 2020-21.**

Paying taxes on hard-earned income is challenging at the end of the financial year for each of us. Our income gets taxed in several ways: at the state and federal levels, by Medicare, and social security, to name a few. Even there is a lot of hustle-bustle at the time of submitting various insurance forms and rent receipts. But if you want, you can save yourself from unnecessary financial stress and can save a good amount on taxes.

Financial Express Report

❖ **Tax dept asks officers working from home to chase large taxpayers for dues.**

A three-month extension in deadlines for tax payment and filing of returns notwithstanding, the Income-Tax Department has asked field formations to contact large taxpayers over phone or email to follow up on pending collections. Rakesh Gupta, Commissioner of Income Tax (Coordination & Systems), Central Board of Direct Tax (CBDT), last week asked field formations to submit a daily report on follow-ups on pending tax collections from large taxpayers. ET Report

❖ **Coronavirus impact | Income tax collection may fall by 10%**

Income tax department is expecting a shortfall of income tax collection by around 10 percent. The I-T department may garner Rs 10 to Rs 10.5 lakh crores, which is short compared to the revised target of Rs 11.7 lakh crores.

Money control Report

Announcement by ICAI

❖ **ICAI's announcement regarding extension of validity of Peer Review Certificate in the wake of COVID -19 spurt across the country.**

Announcement here

❖ **ICAI invites Members to Empanel as a Resource Person for Conducting Investor Awareness Programmes (2020-21).**

Announcement here

❖ **ICAI conducting survey for seeking preference for foreign language course from ICAI Members and Students.**

Announcement here

- **Research Committee of ICAI invites Members in Academics, Teaching, Research, MDP to update their details in order to get associated in activities of Research Committee.**
  Use this link to send your details

- **ICAI invites Expression of Interest from its Members for preparing Question Bank & Case Studies on DISA and FAFD Courses.**
  More details here

- **Introducing Digital Media Platforms of NIRC of ICAI.**
  Connect, keep track and be updated with all the latest activities of NIRC of ICAI through our following digital media platforms-
  1. NIRC Facebook: https://bit.ly/3bhxVgI
  2. NIRC LinkedIn: https://www.linkedin.com/company/nircicai
  3. NIRC Twitter: https://www.twitter.com/icainirc
  4. NIRC Instagram: https://www.instagram.com/NIRC_ICAI/
  5. NIRC YouTube: https://www.youtube.com/channel/UCVenBbzlzv7M9ZNqGHgM5Ww
  6. NIRC Telegram: https://t.me/Nircicai

Announcement by ICSI

- **ICSI announce waiver of Late Fee for Submission of Examination Forms for June, 2020 Session of CS Examinations.**
  Read here for more

- **ICSI will treat the Lock Down Period on account of COVID-19 as Continuity of Practical Training for the CS trainees.**
  Here is announcement

Corporate Laws

- **MCA issued clarification on contribution to PM CARES Fund as eligible CSR activity under item no. (viii) of the Schedule VII of Companies Act, 2013.**
  It is clarified that any contribution made to the PM CARES Fund shall qualify as CSR expenditure under the Companies Act 2013.
  Here is office memorandum.

- **MCA's Circular for engagement of Chartered Accountants in NFRA on Contractual basis.**
  Downlaod here

- **Functioning of NCLT during the lock down period.**
  In view of the lock down announced by the Government of India until 14.4.2020, to curtail the spread of COVID-19, the directions given in the notice dated 22.3.2020 issued by NCLT are hereby extended up-to 14.4.2020.
  Announcement here

- **MCA modified LLP Scheme 2020.**
  Here is general circular 13-2020

- **Ministry of Corporate Affairs introduces the "Companies Fresh Start Scheme, 2020 to provide relief to law abiding companies in the wake of COVID 19.**
  The Schemes, apart from giving longer timelines for corporates to comply with various filing requirements under the Companies Act 2013, significantly reduce the related financial burden on them, especially for those with long standing defaults, thereby giving them an opportunity to make a "fresh start". The Schemes also contain provision for giving immunity from penal proceedings, including against imposition of penalties for late submissions and also provide additional time for filing appeals before the concerned Regional Directors against imposition of penalties, if already imposed.
  However, the immunity is only against delayed filings in MCA21 and not against any substantive violation of law.
  MCA Press Release here | Detailed scheme here

The Insolvency and Bankruptcy Law

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

  - **National Company Law Appellate Tribunal, New Delhi, Suo Moto - Company Appeal (AT) (Insolvency) No. 01 of 2020, Order dated 30.03.2020.**
    1. That the period of lockdown ordered by the Central Government and the State Governments including the period as may be extended either in whole or part of the country, where the registered office of the Corporate Debtor may be located, shall be excluded for the purpose of counting of the period for 'Resolution Process under Section 12 of the Insolvency and Bankruptcy Code, 2016, in all cases where 'Corporate Insolvency Resolution Process' has been initiated and pending before any Bench of the National Company Law Tribunal or in Appeal before this Appellate Tribunal.

2. It is further ordered that any interim order/ stay order passed by this Appellate Tribunal in anyone or the other Appeal under Insolvency and Bankruptcy Code, 2016 shall continue till next date of hearing, which may be notified later.

[Copy of order here]

❖ **The IBBI amends the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 by Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Third Amendment) Regulations, 2020.**

After regulation 40B, the following regulation shall be inserted, namely: -

40C. Special provision relating to time-line.

Notwithstanding the time-lines contained in these regulations, but subject to the provisions in the Code, the period of lockdown imposed by the Central Government in the wake of COVID19 outbreak shall not be counted for the purposes of the time-line for any activity that could not be completed due to such lockdown, in relation to a corporate insolvency resolution process.

[IBBI Press Release here]

[Amendment Regulation 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 375 Umesh Garg v. Remibai Jeppiaar 1 MA NO./1060/2019 IBA NO./128/2019 DECEMBER 5, 2019	NCLT Chennai	Section 19	Police authorities were directed to assist RP in getting information, required by him for discharging his functions where officials of corporate debtor had neither produced books of company nor furnished any information enabling RP to discharge his duties.

Sr.No.	Key to find the document	Authority who passed the order	Details of decision	
			Provisions discussed	Decision
2	[2020] 115 taxmann.com 376 State Bank of India v. Adhunik Metaliks Ltd. CA NO. 118/CTB/2019 TP NO. 44/CTB/2019 CP(TB) NO. 373/KB/2017 JANUARY 10, 2020	NCLT Cuttack	Section 53	Claims received during period after lapse of Corporate Insolvency Resolution Process and before commencement of liquidation could neither be treated as a part of insolvency resolution process costs nor do they fall within ambit of liquidation cost and hence, could not have been accorded priority over other dues in terms of provisions of law.

Economy & Finance

- **Ministry of labour and employment notify Employees' Provident Funds (Amendment) Scheme, 2020 effective from 27/03/2020.**
  Any member employed in any establishment or factory located in an area declared as affected by outbreak of any epidemic or pandemic by the appropriate Government, permit **a non-refundable advance** from the provident fund account of such member not exceeding the basic wages and dearness allowances of that member for 3months or up to 75% of the amount standing to his credit in the Fund, whichever is less.
  Gazetted notification here

- **Covid-19: Recession for world economy; India, China likely exceptions: UN**
  World economy will go into recession this year with a predicted loss of trillions of dollars of global income due to the coronavirus pandemic, spelling serious trouble for developing countries with the likely exception of India & China.
  Business Standard Report

Knowledge shared= Knowledge^2

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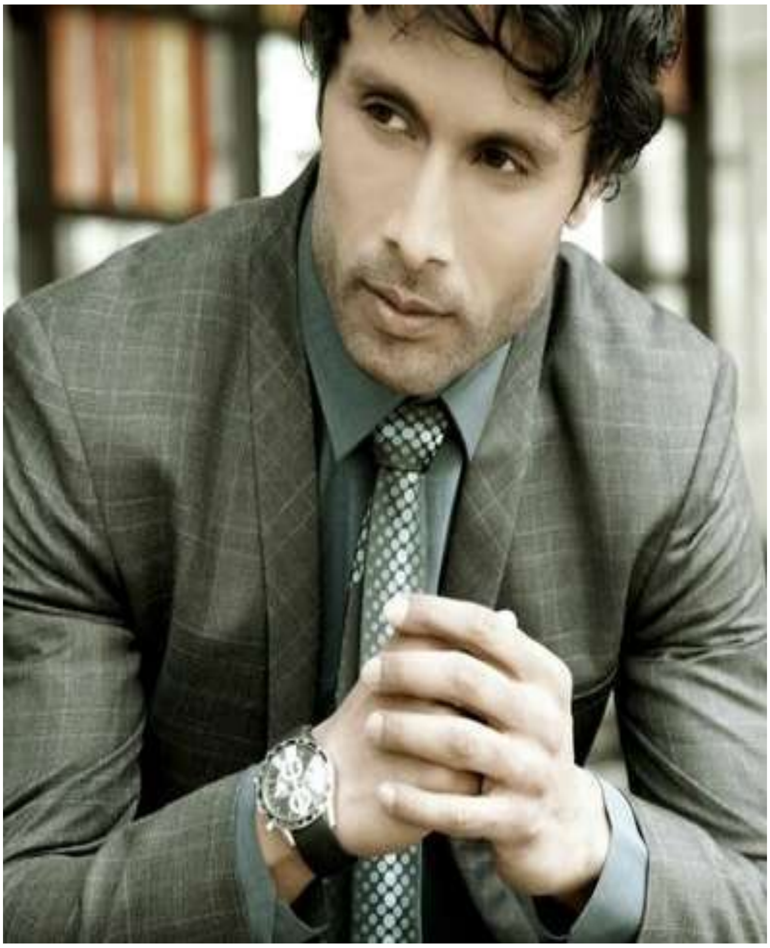
About Scribbler



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

Profile

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