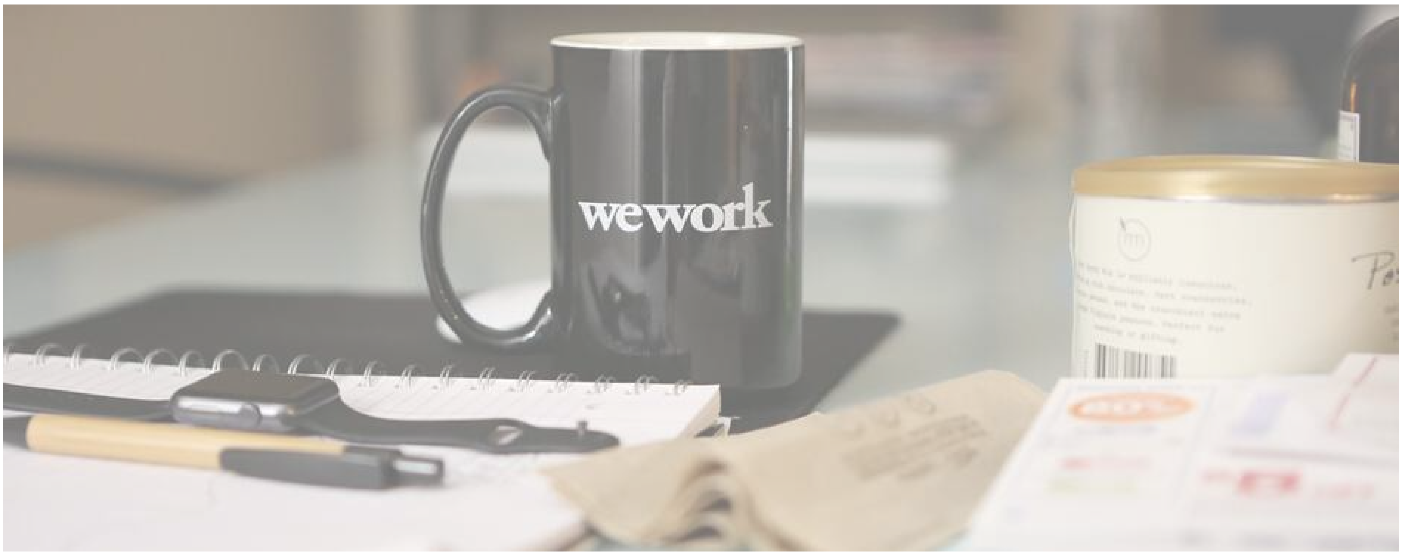
MAY 06, 2020 | WEDNESDAY ISSUE 214

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 | 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.**

⇒ **Government issued 5 central tax non-tariff notifications all dated 5th May 2020.**

SN	No	Matter	
		Effective date	Description
1	38		**Fifth Amendment rules, 2020**
		21.04.2020	2nd proviso inserted in rule 26(1) During the period from 21st April 2020 to the 30th June 2020, companies are allowed to furnish GSTR-3B returns verified through electronic verification code (EVC)
		05.05.2020	New Rule 67A inserted A registered person can file Nil return in GSTR-3B either electronically or through SMS using the registered mobile number & same will be verified by a registered mobile number based OTP. *(a Nil return shall mean a return under section 39 for a tax period that has nil or no entry in all the Tables in FORM GSTR-3B)*
2	39		**Amendment in Notification No.11/2020- Central Tax, dated 21st March 2020.** (by this notification, government introduced special procedure for registered persons being corporate debtors going under Corporate Insolvency Resolution process under Insolvency & Bankruptcy Code, 2016 and the management of whose affairs are being undertaken by interim resolution professionals (IRP) or resolution professionals (RP). This special procedure has to be adopted from the date of the appointment of the IRP/RP till the period they undergo the corporate insolvency resolution process)
		05.05.2020	Proviso in inserted with first para of above notification Such corporate debtors shall not include those corporate debtors who have furnished the statements under section 37 and the returns under section 39 of the said Act for all the tax periods prior to the appointment of IRP/RP.

SN	No	Matter	
		Effective date	Description
		21.03.2020	Para-2 is inserted in the above notification Registration of such corporate debtors shall, with effect from the date of appointment of IRP / RP, be treated as a distinct person of the corporate debtor, 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 or by 30th June, 2020, whichever is later.
3	40		**Amendment in Notification No.35/2020- Central Tax, dated 3rd April 2020.**
		05.05.2020	In the said notification, in the first paragraph, in clause (ii), first proviso is inserted. Where an e-way bill has been generated on or before the 24th day of March 2020 and its period of validity expires during the period 20th day of March 2020 to the 15th day of April 2020, the validity period of such e-way bill shall be deemed to have been extended till the 31st day of May 2020.
4	41	05.05.2020	Extended the time limit for furnishing of the annual return for the financial year 2018-2019 till the 30th September 2020.
5	42	24.03.2020	Filing dates of GSTR 3B in the Union Territory of Jammu and Ladakh extended.

Download copy of all notifications 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] 115 taxmann.com 185 Shahzad Alam v. State of U.P.	Allahabad High Court	Section 132 of CGST Act.	FIR lodged against assessee for generating fake invoices to evade GST would not be quashed.

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

  - **Now taxpayers can claim transitional credit until June 30, 2020.**
    In a landmark judgment that may have a severe impact on both state and Central government revenues, the Delhi High court has allowed all taxpayers to claim transitional credit accumulated before the implementation of the GST by June 30, 2020. In the order passed yesterday, the Delhi High Court held that period of 90 days for claiming input tax credit is directory and therefore, period of limitation of three years under the Limitation Act would apply. The Court has directed the revenue department to allow all assessees to claim input tax credit by June 30, 2020. The order would apply to all taxpayers who could not file TRAN-1 and claim input tax credit.
    Business Today Report

Announcement by ICAI

- ICAI issued Addendum to Guidance Note on Audit of Banks, 2020 Edition issued by the Auditing and Assurance Standards Board.
  Download here

- ICAI issued Exposure Draft of 'Guidance Note on Accounting for Share-based Payments' (Last date for comments: June 4, 2020).
  Download here

The Insolvency and Bankruptcy Law

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

  - **The Insolvency and Bankruptcy Board of India invites comments from the public on the Regulations notified under the Insolvency and Bankruptcy Code, 2016.**
    IBBI invites comments from the public, including the stakeholders and the regulated, on the regulations already notified under the Code. The comments received between 13th April 2020 and 31st December 2020 shall be processed together and following the due process, regulations will be modified to the extent considered necessary. It will be the endeavour of the IBBI to notify modified regulations by 31st March 2021 and bring them into force on 1st April 2021.
    Read here for more

- **The Insolvency and Bankruptcy Board of India in association with the Indian Institute of Insolvency Professionals of ICAI organises-**
  - Interactive Session with IRP/RPs on issues faced in CIRPs in the wake of COVID-19 pandemic on Wednesday, 6th May 2020, From 15.30 to 17.30 hrs.
  - Interactive Session with Liquidators on issues faced in liquidation in the wake of COVID-19 pandemic on Saturday, 9th May 2020 From 11.00 to 13.00 hrs.

  Read here for more details

Economy & Finance

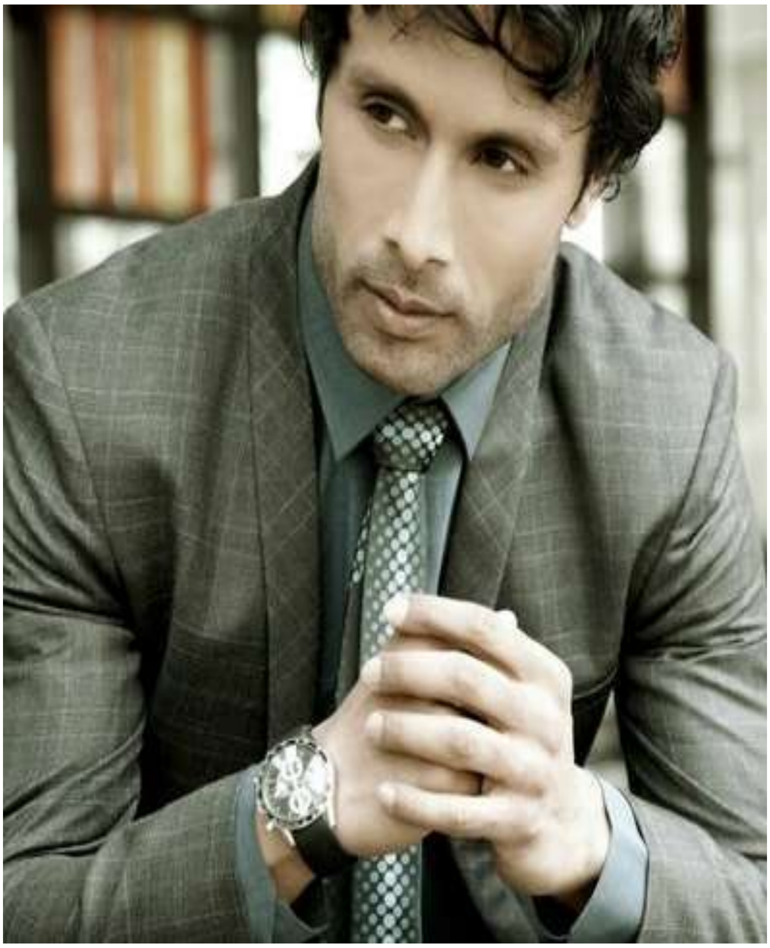
- **MCA allows companies to hold Annual General Meetings (AGMs) through VC or OAVM.**
  The Ministry of Corporate Affairs (MCA) vide its General Circular No. 18/2020, dated 21.04.2020 has already allowed the companies whose financial year ended on 31st December 2019, to hold their AGM by 30th September 2020. However on account of need for continuous adherence to the social distancing norms and restrictions placed on movement of persons, it has become necessary and hence it has been decided to allow companies to hold their annual general meeting (AGM) by Video Conferencing (VC) or other audio visual means (OAVM) during the calendar year 2020. Accordingly, the General Circular No: 20/2020 has been issued today for this purpose. The framework provided in the earlier Circulars for holding of extraordinary general meeting (EGM) would be applicable mutatis mutandis for conduct of AGMs during 2020, based on the classification of companies which are required to: (i) provide the facility of e-voting or have opted for the same, and (ii) those companies which are not required to provide such a facility.
  MCA Press Release

- **Private equity players see new business opportunities in post-Covid world.**
  Private equity (PE) players are seeing a growing business opportunity post Covid-19 in providing long-term credit lines to Indian companies, with banks and non-banking financial companies (NBFCs) reluctant to offer loans.
  Business Standard Report

Knowledge shared= Knowledge^2

==

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]