



The key amendments introduced in statutes, policies and procedures in respect of Direct Tax, Indirect Tax, Corporate Laws & Accounting Standards, Foreign Exchange Management Act/ Export Import Policy & Securities and Exchange Board of India related matters are summarized hereunder.

DIRECT TAX

Amendments, Notifications & Court Rulings

- CBDT extends due date for filing of return of income and audit reports
- CBDT notifies new depreciation rates
- CBDT notifies cost inflation index for the financial year 2019-20
- Clarification on applicability of Tax Deduction at Source on cash withdrawals
- CBDT enters into 26 Advance Pricing Agreements during the current Financial Year

INDIRECT TAX

Amendments, Notifications & Court Rulings

- Notification No. 38/2019- Central Tax dated August 31,2019
- Gujarat High Court ruling - M/s Siddharth Enterprises Vs. The Nodal Officer on September 6, 2019
- 37th Meeting of the GST Council on September 20, 2019

MCA NOTIFICATIONS

Amendments and Notifications

- Companies (Incorporation) Seventh Amendment Rules
- National Financial Reporting Authority (Amendment) Rules, 2019
- Change in Jurisdiction of Courts

RBI NOTIFICATIONS

Amendments and Notifications

- Alteration in the name of “IDFC Bank Limited” to “IDFC FIRST Bank Limited”
- Change in name of “The Orissa State Co-operative Bank Ltd.” to “The Odisha State Co-operative Bank Ltd”
- Banks to furnish reconciliation certificate certified by professional in order to claim agency commission

DIRECT TAX

1. CBDT extends due date for filing of return of income and audit reports

CBDT has extended the due date for filing of return of income and audit reports from September 30, 2019 to October 31, 2019 for the following taxpayers

- A company
- Any person under tax audit or audit under any other law
- Working partner of a firm which is under audit

Source: CBDT order u/s 119 of the Income Tax Act, 1961 [F.No. 225/157/2019/ITA. II] dated September 27, 2019.

2. CBDT notifies new depreciation rates

Depreciation rates of –

- 30% on WDV for motor cars, other than those used in a business of running them on hire
- 45% on WDV for motor buses, motor lorries and motor taxis used in a business of running them on hire, have been prescribed, for assets acquired between August 23, 2019 and April 1, 2020 and put to use before April 1, 2020.

Source: CBDT Notification No. 69 /2019 [F.No. 370142/17/2019-TPL] dated September 20, 2019.

3. CBDT notifies cost inflation index for the financial year 2019-20

For the purpose of computing indexed cost of acquisition of long term assets, CBDT has notified cost inflation index of 289 for financial year 2019-20.

Source: CBDT Notification No. 63/2019 [F. No. 370412/11/2019-TPL] dated September 12, 2019

4. Clarification on applicability of Tax Deduction at Source on cash withdrawals

CBDT has clarified that, applicability of tax deduction at source ('TDS') at the rate of 2% on cash payments, in excess of one crore rupees by a banking company, cooperative bank or post office, to any account holder shall be applicable from September 1, 2019. However, threshold of INR 1 crore shall be computed from April 1, 2019. Hence, if a person has already withdrawn INR 1 crore or more in cash up to August 31, 2019 from one or more accounts, the 2 % TDS shall apply on all subsequent cash withdrawals.

Source: CBDT press release dated August 30, 2019

5. CBDT enters into 26 Advance Pricing Agreements during the current Financial Year

CBDT has entered into 26 Advance Pricing Agreements ('APAs') in the first 5 months of the current financial year (April to August, 2019). With the signing of these APAs, the total number of APAs entered into by the CBDT as of now stands at 297, which includes 32 bilateral APAs.

Source: CBDT press release dated September 4, 2019

INDIRECT TAX

1. No requirement to file ITC-04 for the period July 1, 2017 to March 31, 2019:

The requirement to file Form ITC – 04 for the period July 2017 to March 2019 with respect to goods sent from principal to job worker, for job work, has been waived. However, where the goods have been sent to the Job worker during the period July 2017 to March 2019 but not yet returned by Job worker as at 31st March, 2019, the same has to be disclosed in serial no. 4 of Form ITC-04 for the quarter of April – June 2019.

Source: Vide Notification No. 38/2019- Central Tax dated August 31, 2019

2. Claim of transitional credit:

Eligible credit of pre-GST regime is a vested right and cannot be taken away in case there is a failure to file Form GST TRAN-1 within the due date. This due date is procedural in nature and cannot be interpreted as a mandatory provision.

Source: Vide Gujarat High Court ruling- M/s Siddharth Enterprises v. The Nodal Officer on September 6, 2019

3. Recommendations made in 37th Meeting of the GST Council (Notified on September 30, 2019 through various Notifications)

- Filing of Form GSTR 9 for the FY 2017-18 and FY 2018-19 is not mandatory for taxpayers having aggregate turnover up to Rs. 2 crores
- New GST return system proposed to be implemented from April, 2020 instead of October, 2019
- GST rates on hotel accommodation have been reduced and now will attract Nil rate for rooms with daily tariff Rs.1000/- and less, 12% for rooms with daily tariff Rs. 1,001/- to Rs. 7,500/- and 18% for rooms with daily tariff more than Rs. 7,500/-
- Reduction in GST rate from 18% to 12% with respect to supply of machine job work such as in engineering industry
- Where both supplier and recipient of goods are located outside the taxable territory, services provided by an intermediary will be exempt
- Renting of vehicles and Securities Lending Services proposed to be brought under RCM dated August Source: – Vide 37th Meeting of the GST Council on September 20, 2019

MCA Notifications:

Companies (Incorporation) Seventh Amendment Rules

Ministry of Corporate Affairs through Seventh Amendment Rules has substituted Form RD-1 (Form for filing application to Regional Director) and Form RD GNL-5 (Form for filing addendum for rectification of defects or incompleteness in respect of previous filings) on August 28, 2019

Source: [http://www.mca.gov.in/Ministry/pdf/Seventh Amendment Rules_28082019.pdf](http://www.mca.gov.in/Ministry/pdf/Seventh%20Amendment%20Rules_28082019.pdf) dated August 28, 2019

National Financial Reporting Authority (Amendment) Rules, 2019

1. Ministry of Corporate Affairs through amended rules has substituted the definition of Division and Banking Company.
2. Ministry of Corporate Affairs has inserted Form NFRA-2 i.e. Annual Return to be filed by Auditor with the National Financial Reporting Authority.

Source: http://www.mca.gov.in/Ministry/pdf/NFRA_05092019.pdf dated September 5, 2019

Change in Jurisdiction of Courts

Ministry of Corporate Affairs has substituted the jurisdiction of Court No's. 37 and 58 of the City Civil and Sessions Court, Greater Mumbai, as follows:

S. No.	Existing Court	Jurisdiction as Special Court
(1)	(2)	(3)
1.	Presiding Officers of Court No's. 37 and 58 of the City Civil and Sessions Court, Greater Mumbai	Whole State of Maharashtra except Pune, Ahmednagar, Kolhapur, Solapur, Satara, Sangli, Ratnagiri and Sindhudurg districts of the State of Maharashtra

The Central Government with the concurrence of the Chief Justice of the High Court, Bombay, hereby designates the following Court mentioned in column (2) of the Table below as Special Court for the purpose of providing speedy trial of offences punishable with imprisonment of two years or more under the said Act, namely:

S. No.	Court	Jurisdiction as Special Court
(1)	(2)	(3)
1.	Court of District Judge-1 and Additional Sessions Judge, Pune.	Pune, Ahmednagar, Kolhapur, Solapur, Satara, Sangli, Ratnagiri and Sindhudurg districts of the State of Maharashtra.

Source: http://www.mca.gov.in/Ministry/pdf/SpecialCourtNotification_29082019.pdf dated August 28, 2019.

RBI Notifications

Alteration in the name of "IDFC Bank Limited" to "IDFC FIRST Bank Limited"

The name of "IDFC Bank Limited" to "IDFC FIRST Bank Limited" in the Second Schedule to the Reserve Bank of India Act, 1934 with effect from January 12, 2019.

Source: <https://rbidocs.rbi.org.in/rdocs/notification/PDFs/NT54A68BAC66E5124666A2C6BEE6247F9D52.PDF> dated September 5, 2019.

Change in name of “The Orissa State Co-operative Bank Ltd.” to “The Odisha State Co-operative Bank Ltd”

The name of “The Orissa State Co-operative Bank Ltd.” has been substituted with “The Odisha State Co-operative Bank Ltd” in the Second Schedule to the Reserve Bank of India Act, 1934.

Source: <https://rbidocs.rbi.org.in/rdocs/notification/PDFs/NT56856BCCA6CDC448B88035BE5CFF03A554.PDF> dated September 5, 2019.

Banks to furnish reconciliation certificate certified by professional in order to claim agency commission

For claiming of agency commission based on which agency banks are submitting two certificates to RBI along with the agency commission claims, it is now been decided that agency banks while claiming agency commission may submit the certificate duly certified by Chartered Accountants or by Cost Accountants.

Source: <https://rbidocs.rbi.org.in/rdocs/notification/PDFs/NT69337A86A52A8E4FB5913564E725CF2445.PDF> dated September 25, 2019.



**CORPORATE CATALYST
INDIA PVT LTD**

www.cci.in

Head Office

Times Square, Fourth Floor, Block B Sushant Lok 1, Gurgaon 122 002 INDIA Tel : +91 124 4333 100

Fax: +91 124 4333 101

National Offices: Ahmedabad, Bengaluru, Chennai, Gurgaon, Hyderabad, Kochi, Mumbai, New Delhi

National Affiliates: Chandigarh, Jaipur, Jammu, Kolkata, Lucknow, Ludhiana and Pune

International Affiliates: Australia, Austria, Belgium, Canada, China, Denmark, Egypt, France, Finland, Germany, Hongkong, Hungary, Indonesia, Ireland, Israel, Italy, Japan, Luxembourg, Malaysia, Mauritius, Myanmar, Netherlands, Norway, Philippines, Poland, Portugal, Russia, South Korea, Singapore, Slovenia, Spain, Switzerland, Sweden, Thailand, Turkey, UAE, UK, USA, Vietnam

This document is meant for circulation to internal staff and clients of CCI. The technical contents herein are solely meant for information and not as professional advice. We do not take responsibility for accuracy or correctness or business decisions taken without seeking professional guidance