

# MONAL CAPITAL

## Company Law



Accounting, Taxation and Company Law Updates

Monthly

1st June to 30th June 2020

## Accounting, Taxation and Company Law Updates

### Accounting

#### Better Information on Business Combinations: Disclosures, Goodwill and Impairment

June 2020. ICAI

Few years after issuing IFRS 3, Business Combinations, the International Accounting Standards Board (IASB)1, initiated an assessment called as Post-Implementation Review (PIR) to understand whether the standard was working as intended...[more](#)

#### IRDA likely to implement new Indian Accounting Standard in the insurance sector soon

30th June 2020. Asia Insurance Post

The insurance regulator IRDA has indicated that Implementation of the new accounting system - the Indian Accounting Standard (abbreviated as Ind-AS)- in the domestic insurance sector is likely happened in mid 2020...[more](#)

### Auditing

#### Empanelment of CA Firms with BOI for Concurrent and Revenue Audit

18th June 2020. CA Club India

Bank of India invites online applications from eligible CA firms as Concurrent and Revenue Auditors for empanelment....[more](#)

#### Impact of COVID-19 on Internal Audit

June 2020. ICAI

Internal Audit comes with an objective of delivering assurance and consulting activity designed to add value and improve an organization's operations....[more](#)

### Indirect Tax (GST)

#### Request for inclusion of services of cost accountants in Desk Review system of GST Audit

22nd June 2020. CA Club India

The Institute of Cost Accountants of India is a Statutory Body set up under an Act of Parliament in the year 1959 and is headquartered in Kolkata....[more](#)

#### CBIC Begins Using e-Office in all CGST and Customs offices

16th June 2020. CA Club India

Over 50,000 officers and staff will use this application making CBIC one of the largest Government departments to automate its internal office procedures...[more](#)

#### CBIC issues clarification on GST levy on Director's Remuneration

11th June 2020. CA Club India

Clarification in respect of levy of GST on Director's remuneration...[more](#)

## **Centre Releases ₹ 36400 Crore as GST Compensation to States**

4th June 2020. Taxguru

Taking stock of the current situation due to COVID-19 where State Governments need to undertake expenditure while their resources are adversely hit, the Central Government has released the GST Compensation...[more](#)

## **Indirect Tax (Custom)**

### **DGTR recommends Anti-dumping on imports of Aniline from China**

19th June 2020. Taxguru

Anti-dumping investigation concerning the imports of Aniline from China PR...[more](#)

### **Procedure for Transshipment of Export Cargo from Bangladesh to third countries from LCS to Port/Aircargo**

22nd June 2020. Taxguru

Procedure for Transshipment of Export Cargo from Bangladesh to third countries through Land Customs Stations (LCSs) to Port / Airport, in containers or closed bodied trucks...[more](#)

### **CBIC Enables End to End Paperless Exports under Turant Customs**

23rd June 2020. Taxguru

Shri Ajit Kumar, Chairman, Central Board of Indirect Taxes and Customs (CBIC) here yesterday unveiled a Secure QR coded Shipping Bill that would be electronically sent to exporters after the Customs allows export....[more](#)

### **Modalities of WTO committed in-quota tariffs on specified items**

23rd June 2020. Taxguru

CBIC prescribes the manner and modalities in respect of WTO committed in-quota tariffs on specified items vide...[more](#)

## **Company Law**

### **ICSI spurs MCA Reform Initiatives**

13th June 2020. CA Club India

The Covid-19 pandemic has throttled the world economy in the last few months, putting a virtual halt to almost all economic activities....[more](#)

### **MCA extends validity of holding EGM through VC/OAVM till September**

16th June 2020. CA Club India

Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 read with rules made thereunder on account of Covid-19 - Extension of time...[more](#)

### **MCA extends time for filing of forms related to Charges**

17th June 2020. CA Club India

Scheme for relaxation of time for filing forms related to creation or modification of charges under the Companies Act, 2013....[more](#)

### **Government Schemes for MSMEs & NBFCs Creating significant Impact**

24th June 2020. Taxguru

Government Schemes for MSMEs & NBFCs creating significant impact - Sanctions under Emergency Credit Line Guarantee Scheme (ECLGS) cross Rs. 79,000 crore...[more](#)

### **MCA notifies Companies (Removal of Names of Companies from the Register of Companies) Amendment Rules, 2020**

30th June 2020. CA Club

In exercise of the powers conferred by sub-sections (1), (2) and Sub-section (4) of section 248 read with section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Removal of Names of Companies from the Register of Companies) Rules, 2016...[more](#)

## **RBI**

### **RBI extends timeline for compliance with various payment system requirements**

4th June 2020. CA Club India

Extension of timeline for compliance with various payment system requirements...[more](#)

## **RBI amends mode of payment norms under FEMA regulation**

**20th June 2020. Taxmann**

The RBI has notified the Foreign Exchange Management (Mode of Payment and Reporting of Non- Debt Instruments) (Amendment) Regulations, 2020 whereby amendment has been made to the Regulation 3.1 of the Principal Regulations....[more](#)

## **Govt monitoring transmission of repo rate cut by Banking Sector**

**20th June 2020. Taxguru**

Government closely monitoring transmission of repo rate cut by the Banking Sector and recognise efforts of wealth creators in scripting India's growth story...[more](#)

## **Depositors seek RBI protection against waiver of bank interest**

**17th June 2020. Economic Times**

Depositors are seeking protection from the Reserve Bank of India (RBI) against any attempts to stop paying interest on deposits by banks...[more](#)

## **RBI urges govt to extend external MPC members' tenure**

**29th June 2020. Business Today**

The Reserve Bank of India (RBI) has approached the Centre seeking an extension of tenure of external members on its rate-setting panel until March, 2021 in the wake of the COVID-19 pandemic....[more](#)

## **RBI flags concerns over non-transparency, violation of norms in digital transactions**

**24th June 2020. Business Today**

The Reserve Bank of India (RBI) has raised concerns over non-transparency in transactions and violation of extant guidelines on outsourcing of financial services and fair practices code issued to banks and non-banking finance companies (NBFCs)....[more](#)

## **NCLT**

### **NCLAT SOP for hearing through virtual mode wef 01.06.2020**

**1st June 2020. Taxguru**

Standard Operating Procedure for Ld. Advocate/ Authorised Representative/Party-in-Person for Mentioning the matter for hearing through virtual mode...[more](#)

### **IBC ordinance: No fresh default case for a year from Mar 25**

**6th June 2020. Financial Express**

The government on Friday notified an ordinance to suspend insolvency proceedings for up to one year against fresh default from March 25. The move will potentially provide breather to thousands of firms battered by the pandemic...[more](#)

### **NCLT needs clear set of protocols to flatten bankruptcy curve, say experts**

**7th June 2020. Business Standard**

The temporary suspension of insolvency applications on lockdown-induced defaults has put the spotlight on the corporate debt restructuring schemes in the company law, and the introduction of Insolvency and Bankruptcy Code (IBC)-oriented pre-packs....[more](#)

### **NCLT okays UVRCL takeover of Aircel**

**9th June 2020. The Hindu**

The National Company Law Tribunal (NCLT) has approved the takeover of defunct tecllo Aircel by UV Asset Reconstruction Company Limited (UVARCL) with some modifications...[more](#)

### **Supreme Court seeks govt response on plea challenging IBC Act validity**

**18th June 2020. Financial Express**

The Supreme Court has sought response from the government on a petition challenging the validity of the Insolvency and Bankruptcy Code (Amendment) Act, 2020 that introduced a threshold of at least 10% of homebuyers in a project or 100 of the total allottees for initiating insolvency proceedings against the real estate developer....[more](#)

## **Liquidator has overriding right on company's assets over tax department: NCLT**

18th June 2020. [Economic Times](#)

The revenue department cannot attach the assets of a company in liquidation if the liquidator has already taken in account its tax dues, the bankruptcy court has said...[more](#)

## **A tidal wave of bankruptcies is coming**

19th June 2020. [Money Control](#)

Experts foresee so many filings in the coming months that the courts could struggle to salvage the businesses that are worth saving...[more](#)

## **Regulators, top govt officials meet to pull economy out of crisis**

19th June 2020. [Business Standard](#)

The sub-committee of the Financial Stability and Development Council (FSDC), chaired by the RBI governor, met on Thursday and decided to do whatever necessary to revive economic growth and preserve financial stability...[more](#)

## **NCLAT overrules BHEL objections, gives nod to Surana Power liquidation**

20th June 2020. [Indian Express](#)

Surana Power, which was admitted into insolvency in January 2019, did not receive any valid resolution plans, and was therefore ordered to be liquidated by the Chennai Bench of National Company Law Tribunal (NCLT)...[more](#)

## **Operating without a code: Suspension of IBC okay, but there's scope for further fine-tuning**

23rd June 2020. [Financial Express](#)

An Ordinance was promulgated barring initiation of the corporate insolvency resolution process for defaults committed within six months (extendable up to one year) from March 25. The Ordinance also clarifies that no application can ever be filed in respect of such defaults, thereby, giving a permanent immunity to such defaulting companies under the Insolvency Code....[more](#)

## **Creditors move NCLT; seek bigger claim in Vasan Health Care insolvency case**

24th June 2020. [Business Standard](#)

A group of financiers approached the National Company Law Tribunal (NCLT), Chennai Bench, seeking its claim to be adjudicated as part of the insolvency resolution process being executed on Vasan Health Care Pvt Ltd....[more](#)

## **Fund-raise rules eased for stressed companies**

24th June 2020. [TOI](#)

Markets regulator Sebi has allowed listed companies facing financial stress to make preferential allotment to non-promoters to raise funds through an easier pricing mechanism...[more](#)

## **Resolution professionals latch on to older cases, new restructuring windows**

26th June 2020. [Business Standard](#)

The government's move to temporarily halt fresh insolvency proceedings has offered some respite to stressed companies but it has created an unexpected problem for resolution professionals: Loss in business...[more](#)

## **Resolution plan: Lenders to Bhushan Power ask JSW Steel to pay up**

26th June 2020. [Financial Express](#)

"If the resolution plan is not implemented within 2 weeks of this letter we shall take steps, including but not limited to Section 74 of insolvency & bankruptcy code (IBC)." ...[more](#)

## **Important Articles**

### **Draft Guidance Note on Report U/s. 92E of Income Tax Act, 1961**

3rd June 2020. [Taxguru](#)

The Guidance Note on Report under Section 92E of the Income-Tax Act, 1961 (Transfer Pricing) has been updated to incorporate the amendments made by the Finance Act, 2020 by the Committee on International Taxation of ICAI....[more](#)

### **Insolvency and Bankruptcy Code(Amendment) Ordinance, 2020**

5th June 2020. [MCA](#)

The insolvency and bankruptcy code (amendment) ordinance, 2020...[more](#)

## **Authority for Advance Ruling - Denial of benefit under IndiaMauritius tax treaty on capital gains on indirect transfer**

**5th June 2020. Dhruva Advisors**

AAR denies beneficial treaty provisions to a Mauritian tax resident in respect of capital gains arising from sale of shares of a Singapore Company which derives its value substantially from shares of Indian Company...[more](#)

## **Optimizing cash flows by obtaining Income-tax refunds**

**8th June 2020. Dhruva Advisors**

The COVID-19 pandemic has caused unprecedented disruption to the Indian economy and the public at large. Almost all businesses have been left scrambling for cash as liquidity becomes more important than ever...[more](#)

## **Legality of Prior approval of Joint Commissioner for assessment in search cases under Section 153D of the Income Tax Act'1961**

**9th June 2020. CA Club India**

Section 153D of the act in the present Search Assessment regime mandates that a prior approval is necessary for a valid assessment under Section 153A and 153C of the act....[more](#)

## **New Era in NBFC by implantation of XBRL Returns for NBFC's and other important updates in NBFC Guidelines**

**10th June 2020. Taxguru**

Master Direction - Non-Banking Financial Company -Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 amended up to 17.02.2020...[more](#)

## **Holding of Annual General Meeting through VC or OAVM**

**12th June 2020. Taxguru**

Conduction of Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)...[more](#)

## **Capital Gains & Interest on compensation received on Compulsory acquisition of urban agricultural land**

**16th June 2020. Taxguru**

Section 10(37) inserted by the Finance Act, 2004, with effect from 01.04.2005 (from assessment year 2005-06). Under Section 10(37) of the Income Tax Act, Capital Gains on compensation received on compulsory acquisition of urban agricultural land is exempt from tax...[more](#)

## **Income tax rates for Individual for AY 2021-22 (Old Vs New)**

**16th June 2020. Taxguru**

Budget 2020 introduced a new personal income tax regime for individual taxpayers. However, the option for this concessional tax regime came with a cost, it required the taxpayer to forego certain specified deductions....[more](#)

## **Guide to Residential Status of Individual - Finance Act, 2020**

**16th June 2020. Taxguru**

A guide to amended provisions of Residential Status of an Individual as per the Finance Act, 2020...[more](#)

## **Scheme for relaxation of time for filing forms related to creation or modification of charges under the Companies Act, 2013.**

**17th June 2020. MCA**

The companies are required to file forms related to creation or modification of charges within the timelines provided in section 77 of the Companies Act, 2013 (Act), i.e. a total of 120 days of the creation or modification of charge....[more](#)

## **Taxation of Business Trust in India**

**19th June 2020. Taxguru**

Concept of Business Trust was introduced vide Finance Act, 2014. The Finance Act, 2014 has put in place special taxation regime in respect of Business Trust...[more](#)

## **Interpretation of Section 14A & Exception to Rule 34(5)- Covid-19**

**19th June 2020. Taxguru**

Interpretation of Section 14A & Exception to Rule 34(5) of Income Tax Rules, 1963 in view of Covid-19...[more](#)

## **TDS on E Commerce Transactions under Section 194O with effect from 01.10.2020**

21st June 2020. Taxguru

TDS on E Commerce Transactions under Section 194O with effect from 01st October 2020...[more](#)

## **TDS on E Commerce Transactions under Section 194O with effect from 01.10.2020**

21st June 2020. Taxguru

TDS on E Commerce Transactions under Section 194O with effect from 01st October 2020...[more](#)

## **Relaxations in Companies Act Compliances due to COVID 19**

21st June 2020. Taxguru

In this article author shall discuss about Relaxation given by MCA in Compliances of Companies Act, 2013 due to COVID-19 Situation, Amendment made by MCA due to Pandemic Situation in Country and Relaxations from many Due Dates for Filing of Forms, holding of Meetings etc...[more](#)

## **SEBI (SAST) Amendment Regulation, 2020**

22nd June 2020. Taxguru

Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2020 are notified by SEBI on 16th June 2020 vide Notification No. SEBI/LAD-NRO/GN/2020/14...[more](#)

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