

Dear All,

This seems to be the season of extremes – from the micro to the macro, from the near term to the longer term, extremes are increasing in multiple spheres.

The Indian equity markets represented by Nifty and Sensex are at their all-time highs after a bit of a pause while the macroeconomic numbers like the Index of Industrial Production (IIP) which showed that Factory Output in September contracted by 4.3% over a year ago, the sharpest contraction in 8 years.

Evidence of climate change has become more pronounced and obvious with rampant bush fires in Australia to flooding of Venice, while the voice to do something about has grown stronger with more youth across the world striking on Fridays for the climate.

We have become more integrated than ever before with seamless communication and collaboration across continents that enabled us to create the first visual of a black hole, while at the same time trade barriers are being put up by politicians which shall serve to disunite an integrating world.

Politics in Maharashtra has hit an extreme with Devendra Fadnavis having resigned as Chief Minister twice in 18 days with his second term as Chief Minister lasting for 80 hours. Politics is hitting another extreme with the BJP getting a landslide victory at the General Elections but successively losing the governing control in a number of states.

Our clients also have been reporting extremes in business, with elongated working capital cycles and stress reported by some while other are enjoying the ease of doing business and there is strong growth in the new areas of business they have tapped into lately. A little bit of introspection and awareness of the shifting business patterns along with a slight risk appetite can hopefully keep you in the second group.

Regards,

Dinesh D. Ghalla

DIRECT TAX

MANDATORY ELECTRONIC PAYMENT

Section 269SU of the Income-Tax Act, 1961, inserted by CBDT is applicable with effect from 1 November 2019, makes it mandatory to accept payments (i.e. provide facility to the customers for accepting payment) in prescribed electronic modes, in addition to existing modes, for entities having turnover exceeding INR 50 Crore.

To read more, [click here](#).

INTERCHANGEABLE USE OF AADHAAR AND PAN

CBDT has notified that in various income-tax forms and Rules the word 'Permanent Account No.' or 'PAN' is to be substituted by the words 'Permanent Account Number or Aadhaar Number'.

To read more, [click here](#).

INDIRECT TAX

ITC MECHANISM TO BE FOLLOWED

The Central Board of Indirect Taxes and Customs (CBIC) inserted a new sub-rule (4) to Rule 36 of Central Goods and Services Tax Rules, 2017 (CGST Rules) which stated that a registered person could claim ITC in respect of invoices or debit notes, the details of which had not been uploaded by the suppliers in Form GSTR-1 (i.e. which are not reflected in Form GSTR-2A) only up to 20% of the eligible credit available in respect of invoices or debit notes, the details of which had been uploaded by the suppliers.

To read the article, [click here](#).

To read the full circular, [click here](#).

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