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I. CHART OF FORTHCOMING DUE DATES: -

a) GST

Month	GSTR -1 Monthly	GSTR -3B	GSTR-9
June 2019	11 th	20 th	30 th

b) Others

Month	TDS Payment	ESIC Payment	P.F. Payment	Advance Income Tax	Form DPT-3 (One time return)#	Form DPT-3 (Annual Return)#
June 2019	7 th	15 th	15 th	15 th	29 th	30 th

#Applicable for all companies.

II. OVERVIEW:

o TAXABILITY OF GIFTS

WHAT IS GIFT ?

As per the Income Tax Act:

- Money given in cash/cheque
- Immovable Property such as land or building
- Moveable property like shares, Jewellery, drawings

WHAT IS GIFT TAX?

The Gift Tax was introduced in India in 1958 and got abolished in 1988 after which all gifts were tax free. Later in 2004, Gift tax was incorporated in the Income Tax Act.

Presently, the gifts received by any person or persons, are taxed from the recipients under the head 'Income from other sources. The provisions relating to gift tax have been dealt with under Section 56(2)(x) of the Income-tax Act, 1961

TAXABILITY OF GIFTS UNDER THE INCOME TAX ACT

As per the current tax law, any person (donee / recipient) receiving a sum of money, or an immovable property or any other specified property from any other person (donor) without consideration or for an inadequate consideration i.e. less than the fair market value of the property or stamp duty value in case of an immovable property, is liable to be taxed on the value of such gift.

GIFT OF	CONSIDERATION / PAYMENT AGAINST	CONDITION	TAXABLE PORTION (ADDED TO INCOME FROM OTHER SOURCES)
Money	without any Consideration	Money received is greater than Rs. 50,000	Total money received is chargeable to tax
Immoveable Property	without any consideration	Stamp Duty value is greater than Rs. 50,000	Total Stamp duty value is chargeable to tax (for each such property transferred)
	with some consideration	Stamp Duty less consideration is greater than Rs. 50,000	Amount chargeable to tax = Stamp Duty - Consideration (for each property transferred)
Moveable Property	Without any consideration	Total fair market value of all such properties received is greater than Rs. 50,000	Total Fair Market Value is chargeable to Tax
Moveable Property	with some consideration	Total Fair Market Value less consideration is greater than Rs. 50,000	Amount chargeable to tax = Total FMV- Consideration

EXEMPTIONS FROM GIFT TAX

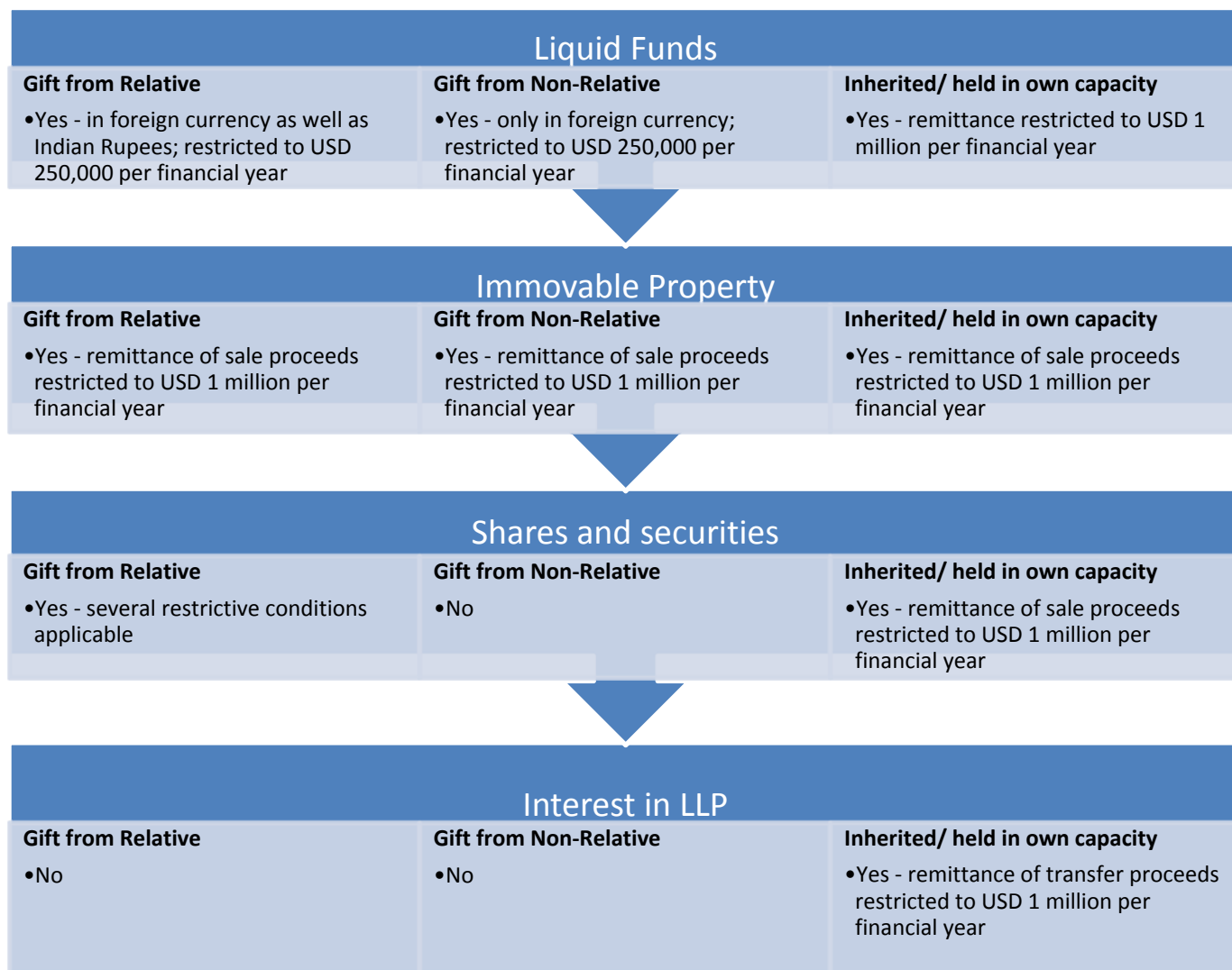
CATEGORY OF DONEE(RECIPIENT OF GIFT)	CATEGORY OF DONOR	OCCASION COVERED
<u>Individual</u>	Relative - spouse, brother and sister of self and spouse,	NA

(It may be relevant to note here that while gift from defined relative is not taxable for donee, income from such gifts may in some cases taxable in the hands of donor itself - Example clubbing provisions, deemed owner concept in house property etc)	brother or sister of parents or parents in law, any lineal ascendant or descendant of self or spouse, spouse of any of the relatives mentioned here.	
Individual	Any person	Marriage of Individual
Any person	Any person	Under a will or by way of inheritance
Any person	Individual	In contemplation of death of donor or payer
Any person	Local authority - Panchayat, Municipality, Municipal Committee and District Board, Cantonment Board	NA
Any person	from any fund or foundation or university or other educational institution or hospital or other medical institution or any trust or institution referred to Section 10(23C)	NA
Any person	Any charitable or religious trust registered under section 12A or section 12AA	NA
Any fund or trust or institution or any university or other educational institution or any hospital or other medical institution established for charitable/religious/educational /philanthropic purpose and approved by the prescribed authority. [Refer Section 10(23C) (iv) (v) (vi) and (via)]	Any person	NA
Members of HUF	HUF	Any distribution of capital assets on total or partial partition of a HUF

Trust created or established solely for the benefit of relative of the Individual	Individual	NA
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FEMA REGULATIONS GOVERNING GIFTS

Besides the income tax provisions, in case of any cross-border gifts like the ones involving non-resident Indians (NRI) or persons of Indian origin (PIO), the provisions under the Foreign Exchange Management Act, 1999 (FEMA) should also be examined.



CONCLUSION

To sum up, while the evolution of law over the years has led to taxability of gifts, specific exemptions have been carved out to insulate genuine transactions like between the relatives,

on the occasion of marriage, etc. It is important to be aware of laws and be compliant with regulations to de-risk from any exposure and implications and avoid long drawn disputes and litigations.

III. GOODS & SERVICE TAX

o GST ON REAL ESTATE PROJECTS - AT A GLANCE

CHANGES IN TAX RATES

For Projects commenced before 1st April 2019 (not opted for new scheme)

- Affordable housing** - **8% with ITC**
- Non-Affordable Residential / Commercial - **12% with ITC**

For Projects commenced before 1st April 2019 (Opted for New Scheme) OR Project commenced on or after 1st April 2019

- Affordable Residential - **1% without ITC**
- Non-Affordable Residential - **5% without ITC**
- **Commercial**
 - Residential Real Estate Project (RREP) - **5% without ITC**
 - Real Estate Project (REP) - **12% with ITC**

**Affordable housing - In case of Metro Area - Area of 60 sqm and Value upto Rs. 45 Lakh & In Case of non-Metro Area - Area of 90 sqm and Value upto Rs. 45 Lakh

CONDITIONS FOR NEW TAX RATES

The new tax rates shall be available subject to the following conditions:

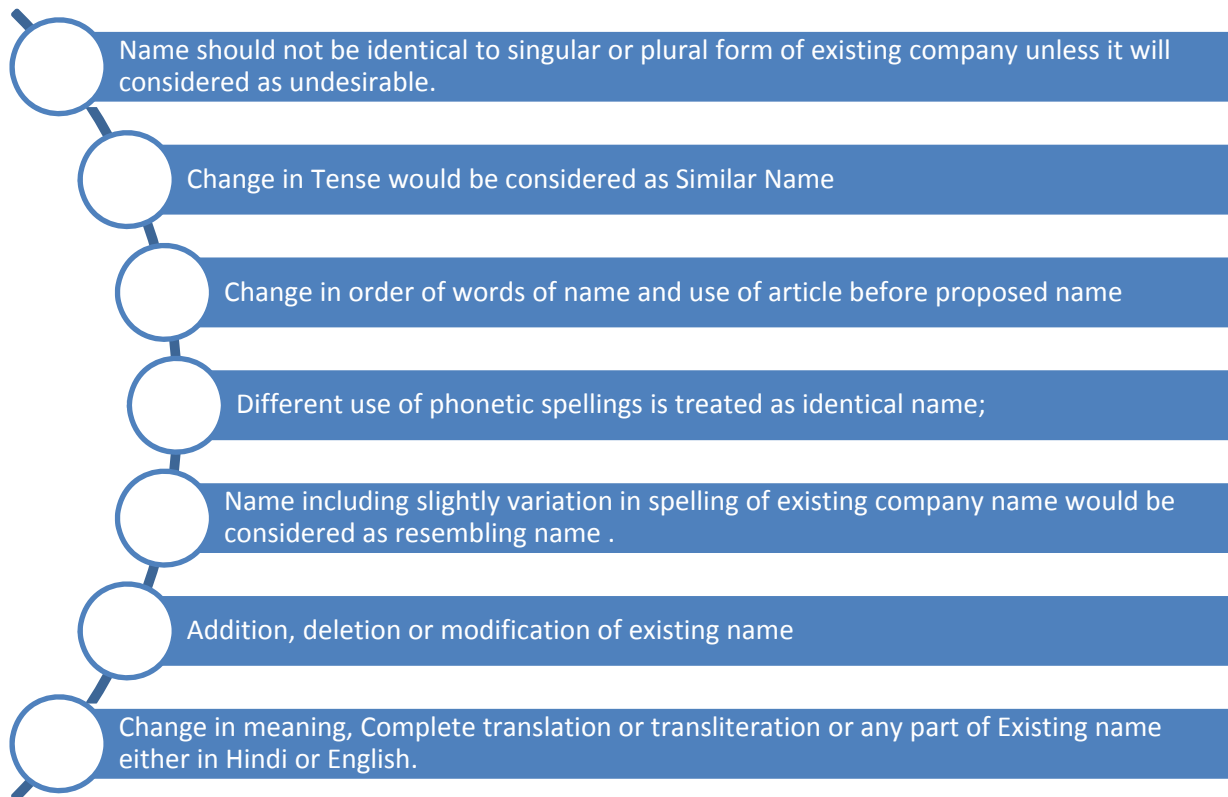
- Non-Availability of Input Tax Credit
- Mandatory purchase of Input services (other than capital goods, TDR/JDA, FSI, long term lease (premiums)) from registered persons.
- In case of shortfall, tax would have to be paid on reverse charge only to the extent of shortfall. The rate of tax applicable for shortfall would be 18% in case of goods and services except Cement and for Cement, the rate of tax would be 28%

IV. COMPANIES ACT

o RESERVATION OF NAME OF THE COMPANY

- Rule 8 for Reservation of name of a company has been divided in to 2 Parts – Rule 8A and Rule 8B.
- Rule 8A deals with the undesirable names and Rule 8B limits use of works such as Board, commission, National, Republic etc.

While considering the application related name approval the following illustrations must be considered otherwise the names shall be considered as undesirable & will not be approved.

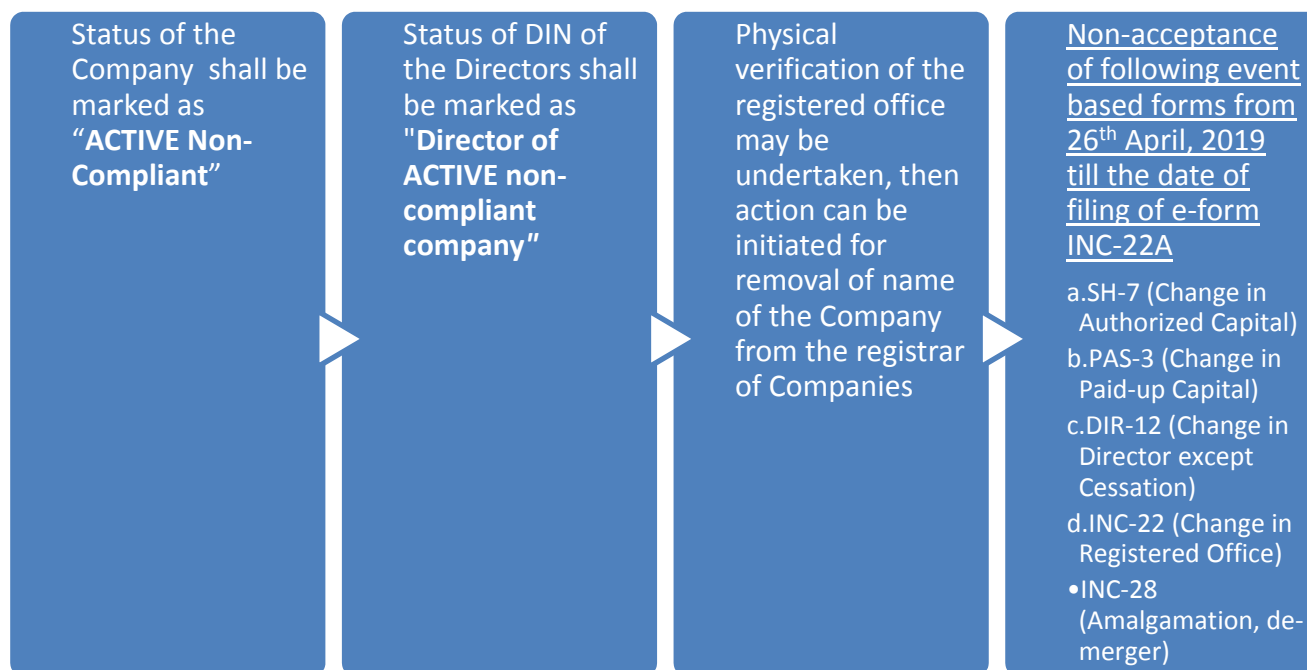


o IMPACT ON DIRECTORS FOR NON-FILING OF KYC OF COMPANY:

As per the newly inserted Rule 25A in the Companies (Incorporation) Amendment Rules with effect from 25th February, 2019, all Companies registered on or before 31st December, 2017 having status as "ACTIVE" are required to file Form INC-22A on or before 15th June, 2019

With reference to the above, the Ministry of Corporate Affairs vide notification dated 16th May, 2019 amended the Companies (Appointment and Qualification of Directors) Rules, 2014. The amendment emphasis to file the ACTIVE e-form (INC- 22A) within period of specified, otherwise DIN allotted to existing directors shall be marked as "*Director of ACTIVE non-compliant company*".

EFFECT OF NON-FILING OF FORM INC-22A



V. RBI

o PRUDENTIAL FRAMEWORK FOR RESOLUTION OF STRESSED ASSETS- AN OVERVIEW

APPLICABILITY

- Scheduled Commercial Banks (excluding Regional Rural Banks)
- All India Term Financial Institutions (NABARD, NHB, EXIM Bank, and SIDBI)
- Small Finance Banks and
- Systematically Important Non-Deposit taking Non-Banking Financial Companies (NBFC-ND-SI) and Deposit taking Non-Banking Financial Companies (NBFC-D)

PRINCIPLES FOR RESOLUTION OF STRESSED ASSETS:

- Early recognition and reporting of default in respect of large borrowers by banks, FIs and NBFCs
- Complete discretion to lenders with regard to design and implementation of resolution plans, in supersession of earlier resolution schemes (S4A, SDR, 5/25 etc.), subject to the specified timeline and independent credit evaluation
- A system of disincentives in the form of additional provisioning for delay in implementation of resolution plan or initiation of insolvency proceedings
- Withdrawal of asset classification dispensations on restructuring. Future upgrades to be contingent on a meaningful demonstration of satisfactory performance for a reasonable period
- For the purpose of restructuring, the definition of 'financial difficulty' to be aligned with the guidelines issued by the Basel Committee on Banking Supervision; and,
- Signing of inter-creditor agreement (ICA) by all lenders to be mandatory, which will provide for a majority decision making criteria

Major changes that mark the new Circular are:

Voluntary for lenders to take defaulters to the Bankruptcy court
Applicability to larger universe of lenders
Introduction of penal provisions for lenders

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Thanking you,

Yours faithfully,

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