



EDITOR'S PICK



## Elements of Resilience

**Davis Lim** teaches us the value of resilience recounting his own experience and how he bounced back.

**AFTER SHARING** selected stories of climbing and surviving expeditions to some of the highest peaks in the world, and a life-threatening nerve disorder which left me permanently disabled in both of my lower legs, I often get asked how I developed this resilience to bounce back.

Note – they ask the ‘how’ question – and that’s simple to understand. We get inspired or lifted by stories of people around the world who have survived some incredible setback; and most of these stories are missing a key part. Can resilience be learned? The good news is that it can, and it isn’t too difficult.

After my own catastrophe, I began a lifelong quest to learn as much about resilience as I could from people a lot smarter than me. If you are familiar with Martin Seligman’s extensive clinical research at the University of Pennsylvania into this area and his books, you’ll figure out that the good news is that resilience can be learned. One key thing that kept arising in the research I was doing was that it didn’t matter what happened to someone. Over time, most well-adjusted individuals; when faced with a big ‘dip’ in their resilience from a disaster would bounce back to their usual ‘set point’ – an imaginary line on a diagram representing the basic level of daily resilience exhibited by ordinary people. But would that dip be like a broad “V” – with the steep descent into despair or hopelessness and gradual return to the set point. Or would it be a spiky “V” with a rapid bounce back. [READ MORE..](#)

## UK Feels The Curse Of “Too Much Finance”

This “finance curse”, as says a report, lowered cumulative GDP by 14 per cent between 1995 and 2015; which would have been much higher with a leaner financial services sector.

**A NEW STUDY** states that the UK lost out on £4.5 trillion over two decades because of its huge financial sector, according to a report in Independent.

The study by The Sheffield Political Economy Research Institute says that the “gravitational pull” of the City of London damaged UK’s economic growth as it sucked talent and investment from other productive sectors such as manufacturing and research even as it inflated asset prices, particu-



larly of property.

This “finance curse”, as the paper terms it, lowered cumulative GDP by 14 per cent between 1995 and 2015; which would have been much higher with a leaner financial services sector. [READ MORE..](#)

# GST advance rulings: befuddled still?

The advance ruling mechanism provides a forum whereby any person (whether or not registered under the GST law) may approach the tax authorities to seek an answer to the question regarding tax position. However, clarity still remains elusive.

**THE INTRODUCTION** of GST in India was a dramatic change for taxpayers, tax professionals, revenue authorities and the Courts. GST is one of independent India's most significant economic reforms. Having said this, the initial days were bound to bring in uncertainty and confusion in the minds of assesses.

In this context, the concept of advance ruling seems to be the ideal recourse for the befuddled taxpayer. The advance ruling mechanism provides a forum whereby any person (whether or not registered under the GST law) may approach the tax authorities to seek an answer to the question regarding tax position such as applicable tax rate, registration requirements and availability of input tax credit. Unless appealed against, the



answer to this question will be binding on both the assessee and the revenue authorities, significantly obviating the risk of future litigation. Has this mechanism fulfilled its potential?

At the outset, there was a significant delay in setting up the authority in all States. For instance, the advance ruling authority was constituted in October 2017, a full 3 months after the introduction of the GST regime. Assessee had to take tax positions without assistance of this authority. The authority should have been set up from 1 July 2017 itself i.e. the date of commencement of the GST law. The same issue cropped up in case of the appellate authority as well. The appellate authority for Maharashtra state was constituted as late as May 2018, i.e. almost a full year after the introduction of the GST regime. These delays have hampered the effectiveness of the advance ruling mechanism.

Another issue with the advance ruling authority has been its composition. The advance ruling authority consists of representatives of Central tax officers and State tax officers. The authority does not have any judicial member [READ MORE..](#)



## Changing the game

The new regulations on cross border mergers have changed several things and brought in fresh challenges. This article is an in-depth analysis of what these regulations entail.

**SINCE THE NEW** government came into power in May 2014 with its vision to make India globally competitive and contributing a larger chunk to international trade, the country has witnessed numerous reforms such as ease in Foreign Direct Investment (FDI) norms to attract foreign investment, promoting Make in India, introduction of GST to streamline the indirect taxes regime, etc. Further, owing to the benefits of cross border transactions in promoting trade and economy, viz., consolidation and pooling of assets and resources, simplification of structure, listing or fund raising, etc., the last couple of years have seen multiple enactments in the Indian regulatory ecosystem by the government in order to accelerate cross border transactions. These new enactments have paved the way for cross border mergers and is undoubtedly a remarkable step by the Indian Government in putting together a framework for reorganisations, consolidations, etc., and facilitating globalisation by giving an opportunity to Indian companies to expand globally.

Although the merger of foreign companies into Indian companies (i.e. inbound merger) was permitted under the erstwhile Companies Act, 1956, there was no corresponding provision in the Companies Act, 2013, for cross-border mergers until recently, before section 234 came into force.

On 13 April, 2017, the Ministry of Corporate Affairs (MCA) has notified section 234 of the Companies Act, 2013, giving legal recognition to merger and amalgamation of an Indian company with a foreign company (or vice versa), provided prior approval from the Reserve Bank of India (RBI) is obtained. This is different from the erstwhile Companies Act, 1956, where no such condition of obtaining [READ MORE..](#)