# Just in™

[Daily newsletter related to Profession]

No. 240 | 6th August 2020

## Covering

- Indirect Taxes
- Direct Taxes
- ICAI Updates
- ICSI Updates
- Corporate Law
- Insolvency & Bankruptcy
- SEBI Updates
- MSME Related Updates
- RBI Updates
- Economy & Finance related Updates

**Join Wtsapp Group using this link to get this newsletter daily**

Initiative by
**PRADEEP GOYAL**
Chartered Accountant
B.Com | FCA | CPA-Australia | Certified Fraud Examiner |Certified Data Analyst & Scientist| Data Privacy Practitioner | Insolvency Professional | Registered Valuer | ICAI Certified GST Practitioner
pradeepgoyal@kcsassociates.in | +91-9811777103

# Indirect Taxes

- **Notifications / Circulars / Press releases / FAQs / Portal Updates / Write-ups by Board "CBIC" and Government.**

❖ **Did you know this?**
Vide Notification No. 5/2017 – Central Tax dated 19th June 2017, Govt. specifies the persons who are **only** engaged in making supplies of taxable goods or services or both, the **total tax** on which is liable to be paid on reverse charge basis by the recipient of such goods or services or both under sub-section (3) of section 9 of the said Act as the category of persons exempted from obtaining registration.

- **Legal Updates- Advance Ruling Authorities / Tribunals / High Courts / Supreme Court**

| Sr.No. | Key to find the document | Authority who passed the order | Details of decision |
|---|---|---|---|
| 1 | [2020] 118 taxmann.com 84 Sri Basaveshwara Corporation, In re ADVANCE RULING NO. KAR ADRG 23 OF 2020 APRIL 23, 2020 | AAR Karnataka | Poha bran is classified under HSN 2302 40 00 and attracts tax at rate of 2.5 per cent each under CGST and SGST Act |

- **News / Latest Developments / Other updates**

❖ **Chandigarh tops GST charts with 83% collection.**
With 83.10% Goods and Services Taxes (GST) collection for April-July 2020 period, Chandigarh has topped the country in terms of filing of returns during the lockdown months. Closely following the UT are Gujarat and Punjab on second and third positions with 81.44% and 81.10% GST collections, respectively.
TOI Report

# Direct Taxes

- **Legal Updates- Tribunals / High Courts / Supreme Court**

| Sr.No. | Key to find the document | Authority who passed the order | Details of decision |
|---|---|---|---|
| 1 | [2020] 118 taxmann.com 88 Monarch v. ITO WRIT PETITION NO. 4952 OF 2020 (T-IT) | Karnataka High Court | Where assessee had been granted stay of 80 per cent disputed demand subject to payment of 20 per cent demand, in view of fact that there had been attachment of bank account, attachment already resorted to would be limited to 20 per cent of demand. |

- **News / Latest Developments / Other updates**

❖ **Income tax scrutiny down in AY18; Delhi faced the highest, Bihar the least.**

Gujarat has emerged as the most tax-compliant state in the country in terms of proportion of return filers to PAN holders in the assessment year 2018-19. The state had 22.3 per cent income tax return filers out of the total PAN card holders in AY 2018-19, followed by Delhi, with a filing rate of 20.5 per cent, Punjab (16.74 per cent) and Telangana (16.68 per cent). Among large states, the lowest rate of return filing with respect to PAN card holders was seen in case of Bihar at 5 per cent, followed by Uttar Pradesh (8.11 per cent), both much below the national average of 12 per cent.

Business Standard Report

❖ **Scrutiny of income tax cases on the decline, says Finance Ministry**

From 0.71% of returns filed in Assessment Year 2015-16, it has fallen to 0.25% in AY 2018-19. The Income Tax Department has claimed that the percentage of cases out of returns filed selected for scrutiny has come down to as low to 0.25 per cent.

Finance Express Report

## ICAI Announcements

- **Application forms for IRM, ITL&WTO, INTT-AT Exams - November 2020.**
  Link here

- **Invitation for contributing to development of Background Material for Certificate Course on SDGs, BRR and IR and Executive Development Program on BRR.**
  Read this announcement

- **The GST & Indirect Taxes Committee of ICAI is organising its flagship Certificate Course on GST – Virtual mode- New Batches- admission open.**
  Registration link is here
  10 days program structure is here

## ICSI Announcements

- **Company Secretary Executive Entrance Test (CSEET) to be conducted on 29th August 2020 through Remote Proctored Mode.**
  Read this announcement

## Insolvency & Bankruptcy

- **Notifications / Circulars / Press releases / FAQs / Portal Updates / Write-ups by Board "IBBI" and Government**

  - **IBBI issued an important communication for the sole purpose of education and awareness of IPs and other stakeholders of liquidation processes with the help of judicial rulings.**
    Read this announcement

- **Existing regulation 5 of Voluntary Liquidation Process Regulations substituted by new regulation 5 vide No. IBBI/2020-21/GN/REG.063 dated 05.08.2020.**
  IBC enables a corporate person to initiate voluntary liquidation process if it has no debt or it will be able to pay its debts fully from the proceeds of the assets. The corporate person appoints an insolvency professional to conduct the voluntary liquidation process by a resolution of members or partners, or contributories, as the case may be. However, there can be situations which may require appointment of another resolution professional as the liquidator. The amendment made to the Regulations today provides that the corporate person may replace the liquidator by appointing another insolvency professional as liquidator by a resolution of members or partners, or contributories, as the case may be.
  Read this announcement from IBBI
  Amendment regulation is here

- **IBBI amended Liquidation Process Regulation by inserting clarification in regulation 4, in sub-regulation (2), in clause (b), after the Table.**
  The Regulations require the committee of creditors to fix the fee payable to the liquidator. Where the fee has not been fixed by the committee of creditors, the Regulations provide for a fee as a percentage of the amount realised and of the amount distributed by the liquidator. There have been instances where a liquidator realises the amount while another liquidator distributes the same to stakeholders. The amendment made to the Regulations today clarifies that where a liquidator realises any amount, but does not distribute the same, he shall be entitled to a fee corresponding to the amount realised by him. Likewise, where a liquidator distributes any amount, which is not realised by him, he shall be entitled to a fee corresponding to the amount distributed by him.
  Read this announcement from IBBI
  Amendment regulation is here

## SEBI

- **SEBI Bulletin - July 2020**
  Download here

## Economy & Finance

- **RBI governor to make policy announcement at 12 noon today.**
RBI Governor will make the central bank's Bi-monthly Monetary Policy address at 12 noon today. "Watch out for Bi-monthly Monetary Policy address by RBI Governor at 12:00 hrs on August 06, 2020," RBI said in a tweet. Around two-thirds of economists in a Reuters poll expect the Reserve Bank of India (RBI) today to cut the repo rate by another 25 basis points (bps) to a record low of 3.50% despite some inflationary pressure. The RBI's recent policies have focused on financial stability and the need to support growth despite the price target.
Mint Report

- **DGFT undergoing an overhaul to boost trade post-Covid pandemic.**
The Directorate General of Foreign Trade (DGFT) is under-going an overhaul, with many changes being introduced to respond to the challenges the Covid-19 pandemic has bro-ught to the trade scene, a senior official said on Wed-nesday. "By the end of this year, we hope to complete the overhaul and many changes will be brought about to address the trade barriers and to ensure ease of doing business," said Director General of Foreign Trade Amit Yadav.
Business Standard Report

- **SEBI chief Ajay Tyagi gets an extension.**
The finance ministry on Wednesday extended Ajay Tyagi's tenure as the chairman of Securities and Exchange Board of India by 18 months, opting for continuity amid an uncertain economic environment.
Mint Report

## LIMITATION OF LIABILITY | DISCLAIMER OF WARRANTY