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[Daily newsletter related to Profession]

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Indirect Taxes

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

  ❖ The Government is undertaking comprehensive review of GST Laws with focus on decriminalising certain offences and wider use of compounding provisions with the objectives of improving ease of living, improving business sentiments, and reducing litigation. Accordingly, Central Board of Indirect Taxes and Customs has constituted a Group for consultation with the stakeholders and the Institute of Chartered Accountants of India (ICAI) has been invited for consultation meeting to provide views and suggestions on the said topic.

  Now ICAI, accordingly, seek suggestions from us on the decriminalising offences and wider use of compounding provisions with the objectives of improving ease of living, improving business sentiments, and reducing litigation.

  The suggestions may be submitted latest by 1st September 2020 at this link

- **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 339 Enfield Apparels Ltd., In re CASE NO. 06 OF 2020 & ORDER NO. 05/WBAAR/2020-21	AAR-WB	Assignment of leasehold rights is in nature of agreeing to Transfer of leasehold rights; It is not Transfer of Immovable Property.

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

❖ **Opposition states may approach Supreme Court on GST shortfall.**
Opposition states are coordinating moves to approach the Supreme Court under Article 131 of the Constitution to avoid the chaos that could be created by Union Finance Minister Nirmala Sitharaman's offer to individually allow them to borrow the shortfall in GST dues from the RBI, said sources here.
The Tribune Report

Direct Taxes

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

❖ **Income tax dept to intimate taxpayers under scrutiny about faceless assessment.**
The income tax department will soon start sending out intimation to assessees undergoing scrutiny that such cases would now be handled under faceless assessment, a tax official said on Friday. CBDT Additional Commissioner Jaishree Sharma also said that domestic transfer pricing cases too will be covered under the faceless assessment mechanism. Asked whether the previous notices still stand valid, Sharma said, "Previous notices will not become redundant. First, an intimation would be sent out that your case would now be assessed under faceless assessment scheme and if the Assessing Officer of the Assessment Unit feels that he needs some more information, he will send fresh (notice) under 142(1)."
Mint Report

ICAI Announcements

❖ **Conceptual Framework for Financial Reporting under Indian Accounting Standards (Ind AS) applicable for Standard-setting Activity from accounting periods beginning from April 1, 2020, and for the preparers of financial Statements from a future date.**
Read this announcement for more

ICSI Announcements

- **Setting up of ICSI overseas centre at London, UK**
  ICSI informs that the Institute inaugurated its third overseas Centre at London, United Kingdom, on 24th August 2020, in the benign presence of Smriti Zubin Irani, Hon'ble Union Minister for Women & Child Development and Textiles, Government of India.
  More details here

- The Council of the Institute of Company Secretaries of India, had established the Disciplinary Directorate of the Institute of Company Secretaries of India to be headed by the Director (Discipline) and shall be headed by Shri Ashok Kumar Dixit, Joint Secretary w.e.f. 1st September, 2020.
  Notification here

Corporate Laws

- **Now companies no need to MGT-9 with Annul Return if web link is disclosed in Board Report-MCA notifies amendment in Companies (Management and Administration) Amendment Rules, 2020.**
  Rule 12(1) of said rules prescribe to attach the extract of the annual return with the Board's Report in Form No. MGT.9.
  Now Government amended this rule by inserting following proviso vide notification dated 28th August 2020 effective from date of publication in the Official Gazette, published vide G.S.R. 538(E) dated 28 August 2020-08-20: -

  "Provided that a company shall not be required to attach the extract of the annual return with the Board's report in Form No. MGT.9, in case the web link of such annual return has been disclosed in the Board's report in accordance with sub-section (3) of section 92 of the Companies Act, 2013."

  Gazetted Notification is here

❖ **Now companies have to place annual returns on its web site mandatorily (If have one) and the web-link of such annual return shall be disclosed in the Board's report.**

Existing sub section 3 of section 92 was substituted by new sub-section vide clause (ii) of Section 23 of Companies (Amendment) Act, 2017 but it was not notified.

Now Government notifies clause (ii) of Section 23 of Companies (Amendment) Act, 2017 effective from 28th August 2020 vide notification dated 28 August 2020 published in official gazette vide no. S.O. 2920€ dated 28 august 2020.

Gazetted Notification here

Insolvency & Bankruptcy

- **Legal Updates- NCLTs / NCL-ATs / Supreme Court**

Sr.No.	Key to find the document	Authority who passed the order	Details of decision
1	2020] 118 taxmann.com 560 Radha Exports (India) (P.) Ltd. v. K.P. Jayaram CIVIL APPEAL NO. 7474 OF 2019	SC	Payment received for shares duly issued to a third party at request of payee could not be a debt, not to speak of financial debt; a personal Loan to a Promoter or a Director of a company cannot trigger Corporate Resolution Process under IBC.
2	[2020] 118 taxmann.com 368 S. Rajendran v. S. Mukanchand Bothra COMPANY APPEAL (AT) (INSOLVENCY) NOS. 844 & 1275 OF 2019 JUNE 15, 2020	NCL-AT Delhi	Where after approval of revised resolution plan by CoC, resolution professional had himself filed an application for its approval which was allowed, appeal filed by resolution professional against said resolution plan would not be maintainable.

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

❖ **Govt asks PSBs to look at initiating insolvency proceedings against personal guarantors.**
The government has asked state run banks to look out for insolvency cases that may also require initiation of individual bankruptcy process before the National Company Law Tribunal against personal guarantors to corporate debtors. This is to ensure banks explore all avenues of realising their loans. Rules empowering creditors to file insolvency applications against personal guarantors came into effect in December.
ET Report

MSME

❖ **MSME Ministry issued its monthly newsletter for July 2020.**
Download here

Economy & Finance

❖ **RBI may not extend moratorium on repayment of loans beyond Monday.**
The Reserve Bank is unlikely to extend the moratorium on repayment of bank loans beyond August 31 as an extension could impact the credit behaviour of borrowers without resolving the issues being faced by them following the outbreak of the COVID-19, sources said. The RBI had announced a moratorium on repayment of debt for six months beginning March 1, 2020 to help businesses and individuals tide over the financial problems on account of disruption in normal business activities.
Mint Report

❖ **World Bank suspends 'ease of doing business' report.**
The World Bank Group has 'paused' the publication of the Doing Business report after irregularities have been reported regarding changes to the data used in the report.
Business Line Report

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