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[Daily newsletter related to Profession]

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- ICSI Updates
- Corporate Law
- Insolvency & Bankruptcy
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Indirect Taxes

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

  ❖ **GSTN made new functionalities available for TCS and Composition taxpayers.**
  - Provision to make amendment, multiple times, in Table 4 of Form GSTR-8.
  - TCS facility extended to composition taxpayers.

  Read here for more

  ❖ **GSTN issued advisory & FAQs on Filing Form GSTR-4 Annual Return by Composition Taxpayers on GST Portal.**
  More details here

- **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] 119 taxmann.com 24 Ascendas Services (India) (P.) Ltd., In re ORDER NO.KAR/AAAR-14-E/2019-20 FEBRUARY 14, 2020	AAAR Karnataka	**Agents /Brokers etc. are only qualify as intermediaries; Buss passes are actionable claim.** Where appellant had entered into contract with public bus transport provider for arranging transportation to its employees and staff of corporate clients of business park by making bus passes available to commuters, value of services provided by appellant to commuters would be value of bus pass distributed by applicant to commuters in addition to facilitation fee for arranging transportation service and claim of appellant that bus pass is an actionable claim not liable to GST is not acceptable .

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

❖ **Flat GST revenues put improved manufacturing data in the shade.**
Soon after the weak gross domestic product (GDP) data for the June quarter, came the soothing manufacturing purchasing managers index (PMI) reading for August. PMI bounced back to the expansion zone after contracting for five months since March. Manufacturing output expanded in August to 52 compared to 46 in July. A reading above 50 indicates expansion and below this threshold points to contraction. It was led by new domestic orders as businesses reopened after the easing of lockdown curbs, said the IHS Markit survey report.
Mint Report

Direct Taxes

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

❖ CBDT informs stakeholders that ITR 1, 2, 3, 4, 5 & 7 for AY 2020-21 is now available for e-Filing and ITR 6 will be available shortly.

❖ Joint Webinar with CPC-ITR Bangalore and Central India Regional Council of ICAI on e-filing and processing of ITRs. Date – Sep.4, 2020 at 3:00 pm.
Click here to join

❖ **CBDT provides ITR Filing Compliance Check Functionality for Scheduled Commercial Banks.**
Central Board of Direct Taxes in exercise of powers conferred under section 138(1)(a) of Income Tax Act, 1961, has issued Order for furnishing information about IT Return Filing Status to Scheduled Commercial Banks, notified vide notification No. 71/2020 dated 31.08.2020 under sub-clause (ii) of clause (a) of sub-section (1) of section 138 of the Act.
Copy of order here
Finance Ministry Press Release

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

❖ **Income Tax Department carries out searches in Srinagar and Kupwara**

The Income Tax Department has carried out simultaneous search and seizure operations on 2nd September 2020 in the case of three prominent businessmen in Srinagar and Kupwara. These operations have, prima facie, led to the detection of huge amount of undisclosed income, seizure of unaccounted assets and incriminating evidence and involvement in benami transactions by these three groups. The search action revealed that the key person of one of the groups, although engaged in Cross-LOC trade until the suspension of trade by the Government in April 2019, has not filed his Income Tax Returns. He was also found to be having two active PANs. His proprietary concern has made exports of over Rs. 25 crores in the last few years. However, no income tax has been paid at all. Incriminating documents related to the LoC trade have been seized from the Custodian of cross-LOC trade, indicating large-scale tax evasion. There are also evidences of unexplained expenditure on the education of his daughter in Pakistan.

Finance Ministry Release

❖ **Income Tax refunds of Rs 98,625 crore issued to 26.2 lakh taxpayers in 5 months**

CBDT issues refunds of over Rs. 98,625 crores to more than 26.2 lakh taxpayers between 1st April 2020 to 01st September 2020. Income tax refunds of Rs. 29,997 crores have been issued in 24,50,041 cases & corporate tax refunds of Rs.68,628 crore have been issued in 1,68,421 cases.

Media Report

ICSI Announcements

❖ **ICSI presents Progress Report (January – July 2020).**

Download 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 423 Indian Oil Corporation Ltd. v. Ashish Arjun Kumar Rathi COMPANY APPEAL (AT)(INS) NO.1116 OF 2019 MAY 22, 2020	NCL-AT Delhi	Where Adjudicating Authority by impugned order confirmed action of liquidator in rejecting claim of appellant relating to investment made in storage facility and interest, however, liquidator had not assigned any detailed reasoning in respect of non-admissibility of claim, tenor and spirit of section 40, not having been adhered to at time of passing order, said impugned order was to be set aside.
2	[2020] 118 taxmann.com 400 Garden Silk Mills Ltd. v. GSL Nova Petrochemicals Ltd. APPLICATION NO. 67 OF 2018 FEBRUARY 26, 2020	Gujrat High Court	**Company petition pending before HC was to be transferred to NCLT as per amended provisions of Section 434 of Cos Act** In view of amended provisions of section 434 of Companies Act, 2013, company petition pending before High Court was to be transferred to NCLT to be dealt with as an application for initiation of corporate insolvency resolution process under IBC

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

❖ **Number of corporate insolvency resolution processes admitted by NCLT down 83% during Apr-June.**
[ET Report]

❖ **No corporate insolvency proceedings once debt converted into capital: NCLAT.**
The National Company Law Appellate Tribunal (NCLAT) on Wednesday said that insolvency proceedings cannot be triggered on the basis of debt which has been converted into capital such as equity of a company. The appellate tribunal also said that any investment cannot be "financial debt" and the provisions of Section 7 of the Insolvency & Bankruptcy Code provide for initiation of CIRP by a financial creditor only and that too, if there is "debt" and "default". The observations from a two-member NCLAT bench came as it upheld an order of the National Company Law Tribunal (NCLT), which on November 26, 2019, had dismissed the plea by an individual Rita Kapur seeking initiation of insolvency proceedings against Invest Care Real Estate LLP.
Business Standard Report

SEBI

❖ **Review of provision regarding segregation of portfolio due to the COVID – 19 Pandemic.**
Circular No.: SEBI/HO/IMD/DF4/CIR/P/2020/165

MSME

❖ **Historic Interventions made by the Central Government to Ensure Timely Payments to MSMEs**
MSME Ministry takes lead in helping the MSMEs get their dues
On-boarding of MSMEs on TReDS Mechanism made free
MSME Ministry alerts MSMEs to beware of fake websites charging money in the name of registration; and re-iterates that registration be done on Govt website only.
MSME Ministry Release

- **Resolving payments: MSMEs paid Rs 6,800 crore dues by CPSEs and Govt in last 3 months.**

  Central ministries and PSUs have cleared payments to the tune of over Rs 6,800 crore owed to micro, small and medium enterprises (MSMEs) in the last three months, the government said on Wednesday.

  It said almost three-fourths of the monthly dues have been paid during the same month by most of the ministries and CPSEs. The pending amounts are expected to be released in the normal course of business and within 45 days. The MSME ministry, in a statement, said that "more than Rs 6,800 crore has been paid by the Ministries and CPSEs in the last three months alone".

  CNBC Report

- **SIDBI extends state-wise MSME support programme to 11 states; to design schemes, modify existing ones.**

  Ease of Doing Business for MSMEs: The PMU will analyse the existing schemes and initiatives etc., targeted towards MSMEs and would suggest modifications, if required, in order to improve efficacy and removal of bottlenecks.

  Finance Express Report

Economy & Finance

- **Union Cabinet approves "Mission Karmayogi"- National Programme for Civil Services Capacity Building (NPCSCB).**

  New National Architecture for Civil Services Capacity Building

  Comprehensive reform of the capacity building apparatus at individual, institutional and process levels for efficient public service delivery

  PM led HR Council to approve and monitor Civil Service Capacity Building Plans

  Capacity Building Commission to harmonize training standards, create shared faculty and resources, and have supervisory role over all Central Training Institutions

  Wholly owned SPV to own and operate the online learning platform and facilitate world-class learning content marketplace.

  Cabinet Secretariat Release

- **Ceiling/Cap on MEIS benefits available to exporters on exports made from 1.9.2020 to 31.12.2020**

  A limit has been imposed on total rewards under the Merchandise Exports from India Scheme (MEIS). A notification issued by Directorate Generate of Foreign Trade (DGFT) last evening says that the total reward which may be granted to an IEC holder under the scheme shall not exceed Rs.2 Crore per IEC of exports made in the period 1.9.2020 to 31.12.2020. Further, it has also been informed that any IEC holder who has not made any exports for a period of one year preceding 1.9.2020 or any new IECs obtained on or after 1st September would not be eligible for submitting any claim under MEIS. In addition, MEIS Scheme is withdrawn w.e.f. 1.1.2021. The above ceiling will be subject to further downward revision to ensure that the total claim under MEIS for the period 1.9.2020 to 31.12.2020 does not exceed prescribed allocation by the Government which is Rs.5,000 Crore

  MOCI Release

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